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## INTERVIEW TRANSCRIPTION

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Command Name: U.S. Department of Transportation OIG

Case Number: I19G0060500

Interviewee's Name: Adam Ball

Identification of Investigator(s): Special Agent Steven Larson and Special Agent Douglas Smith

Date of Interview: July 24, 2019 and July 25, 2019

1           SPECIAL AGENT STEVEN LARSON: Today's date is July 24,  
2         2019. The subsequent recording will occur on Thursday, July 25  
3         and will be between Special Agents Steven Larson and Douglas  
4         Smith and Adam Ball. All right. Will be I just want to let,  
5         uh, let, uh, our coworkers know we're in talking.

6           BRIAN BUTLER: Okay.

7           SPECIAL AGENT STEVEN LARSON: I'll be right back. Just  
8         FYI, so I am, uh, I am talking [inaudible 1:15].

9           BRIAN BUTLER: Okay.

10          SPECIAL AGENT STEVEN LARSON: Thanks Adam. All right.  
11         Shut that, so we've got some [inaudible 0:] time. Um, as we said  
12         I'm Steve Larson with the FBI. This will let you know who I am.  
13         Uh, just out of [inaudible 1:45] do you have any idea why we'll  
14         be here today or --

15          MR. ADAM BALL: -- No, [inaudible 1:53].

16          SPECIAL AGENT STEVEN LARSON: Okay.

17          MR. ADAM BALL: Should -- should we have legal counsel?

18          SPECIAL AGENT DOUGLAS SMITH: Well like I said we -- I  
19         mean, you know, got [inaudible 2:00], you guys [inaudible 2:03]  
20         um, that's going to be up to you, but -- but that -- I mean with  
21         that said, I mean depending on, you know, if [inaudible 2:13]  
22         you can say that. But, uh, just to kind of repeat what you've  
23         may have already heard [inaudible 2:22], I mean our point today

24 is just to try to get some answers. Uh, nobody's under arrest.

25 Nobody's getting cuffs, nothing like that.

26 MR. ADAM BALL: Okay.

27 SPECIAL AGENT DOUGLAS SMITH: Um, and, uh, as far as that  
28 goes to it, if -- if you wanted to start answering questions,  
29 talking to us, that's fine and then if -- if you don't want to  
30 answer questions at some point, I mean that's -- that's part of  
31 your right too.

32 MR. ADAM BALL: Okay.

33 SPECIAL AGENT DOUGLAS SMITH: So we'll -- I mean we'll  
34 respect that as your decision, but I mean just as much as we  
35 want [inaudible 2:50].

36 SPECIAL AGENT STEVEN LARSON: All right, um, I guess -- I  
37 guess just to get -- get the ball rolling, uh, Adam, um, what --  
38 what is your role here at, uh, this is Survey Solutions,  
39 correct, Incorporated? What -- what is your position? What is  
40 your role?

41 MR. ADAM BALL: I'm, uh, I'm a project engineer. I'm just  
42 in charge of, um, inspections [inaudible 3:18]. Um, and, um,  
43 designs. We don't do a ton of designs, but, um, design  
44 oversight, um, I'm trying to think, what else. [inaudible 3:46].

45 SPECIAL AGENT STEVEN LARSON: Okay. Anything with  
46 engineering?

47 MR. ADAM BALL: [inaudible 3:55].

48 SPECIAL AGENT STEVEN LARSON: Okay. Do you have, uh, what  
49 -- are you a -- an owner of the company?

50 MR. ADAM BALL: No.

51 SPECIAL AGENT STEVEN LARSON: No. You have no ownership  
52 interest? Okay.

53 MR. ADAM BALL: Not in SSI, no.

54 SPECIAL AGENT STEVEN LARSON: Okay. Not SSI. Do you have  
55 ownership interest in -- in other companies?

56 MR. ADAM BALL: I -- I -- I do have, um, ownership in, uh,  
57 a company called Southfield IT Group.

58 SPECIAL AGENT STEVEN LARSON: Southfield IT Group. Okay.  
59 What does Southfield IT Group what -- what do they do?

60 MR. ADAM BALL: They're basically a, um, you know, a -- a,  
61 um, a, um, a memory, uh, a data storage, you know, IT -- IT  
62 complete with data storage essentially.

63 SPECIAL AGENT STEVEN LARSON: IT company with -- with data  
64 storage. Okay, um, are they affiliated with SSI in any way?

65 MR. ADAM BALL: We do business with SSI.

66 SPECIAL AGENT STEVEN LARSON: You -- you do business with --  
67 and when you say we, you're -- you're speaking as Southfield --

68 MR. ADAM BALL: Correct.

69 SPECIAL AGENT STEVEN LARSON: -- IT Group?

70 MR. ADAM BALL: Correct.

71 SPECIAL AGENT STEVEN LARSON: Okay. Where -- where is  
72 Southfield IT Group located?

73 MR. ADAM BALL: It's -- it's based out of my -- my home.

74 SPECIAL AGENT STEVEN LARSON: Based out of your home in --

75 MR. ADAM BALL: -- Saginaw.

76 SPECIAL AGENT STEVEN LARSON: Saginaw?

77 MR. ADAM BALL: Yeah.

78 SPECIAL AGENT STEVEN LARSON: Okay.

79 MR. ADAM BALL: I mean that's where the -- the LLC was, you  
80 know, the LLC was associate with essentially.

81 SPECIAL AGENT DOUGLAS SMITH: Like -- like headquartered?

82 MR. ADAM BALL: Yeah. I mean, you know, when you -- when  
83 you set up an LLC you've got to have a, uh, an address where the  
84 tax forms go to and --

85 SPECIAL AGENT DOUGLAS SMITH: Mm-hm.

86 MR. ADAM BALL: -- and all that --

87 SPECIAL AGENT STEVEN LARSON: Oh --

88 MR. ADAM BALL: -- stuff.

89 SPECIAL AGENT STEVEN LARSON: -- okay.

90 SPECIAL AGENT DOUGLAS SMITH: Um, so -- so your address  
91 would be like the, uh, uh, the registered agent I think is what  
92 they call it? Something like that.

93 MR. ADAM BALL: I think so.

94 SPECIAL AGENT DOUGLAS SMITH: Okay.

95 SPECIAL AGENT STEVEN LARSON: Oh okay. Um, are -- are you  
96 the -- the sole owner of, uh, of the company?

97 MR. ADAM BALL: [inaudible 6:03] keep talking, it's one  
98 thing I need to do. [inaudible 6:10].

99 SPECIAL AGENT STEVEN LARSON: Alrighty - alrighty. Um, are  
100 you the -- the sole owner of, uh, Southfield?

101 MR. ADAM BALL: My -- my wife was involved also.

102 SPECIAL AGENT STEVEN LARSON: Your -- your wife is  
103 involved. And -- and who is your wife?

104 MR. ADAM BALL: Sarah -- Sarah Ball.

105 SPECIAL AGENT STEVEN LARSON: Sarah Ball. Okay. So you  
106 and Sarah own, uh, Southfield IT Group?

107 MR. ADAM BALL: Correct.

108 SPECIAL AGENT STEVEN LARSON: Okay. Um, any other  
109 employees?

110 MR. ADAM BALL: No.

111 SPECIAL AGENT STEVEN LARSON: There -- there -- there are  
112 no other employees?

113 MR. ADAM BALL: No.

114 SPECIAL AGENT STEVEN LARSON: Okay. How -- how long have  
115 you owned, uh, Southfield IT Group?

116 MR. ADAM BALL: I don't remember. Probably about three  
117 years.

118 SPECIAL AGENT STEVEN LARSON: Three years. Was it, um,  
119 ever called anything -- any -- any other than Southfield IT  
120 Group?

121 MR. ADAM BALL: Yep. Yep. I originally started a National  
122 Elevation Certificates.

123 SPECIAL AGENT STEVEN LARSON: Okay. What was National  
124 Elevation Certificates?

125 MR. ADAM BALL: For a while there -- there was a, uh, a  
126 federal push for flood insurance, um, I'm going to say about  
127 three - three or four years ago there was a -- there was a big  
128 push to get this nationwide flood insurance, um, thing started  
129 and in an attempt to start teaming on that, we thought -- we  
130 thought it would be a, uh, um, a good market, you know, to hit,  
131 so we started a company, you know, called National Relationship.  
132 [sic 7:58]. It's LLC. Well that dumped thing fell flat on its  
133 face. We got zero business out of that, I remember, but we  
134 already had the business in place, and we just kept it in place,  
135 whatever. And then, um, an opportunity came up to, um, create a  
136 more of an IT group, so instead of having to start a whole  
137 brand-new LLC for that, I did a, uh, a DBA --

138 SPECIAL AGENT STEVEN LARSON: -- To do --

139 MR. ADAM BALL: -- you know, doing --  
140 SPECIAL AGENT STEVEN LARSON: -- business as.  
141 MR. ADAM BALL: Southfield IT Group instead.  
142 SPECIAL AGENT STEVEN LARSON: Okay.  
143 MR. ADAM BALL: So I guess technically Southfield IT Group  
144 is not its own standalone --  
145 SPECIAL AGENT STEVEN LARSON: -- It's -- it's --  
146 MR. ADAM BALL: -- LLC, it's -- it's basically a National  
147 Elevation Certificates --  
148 SPECIAL AGENT STEVEN LARSON: -- Oh --  
149 MR. ADAM BALL: -- doing business as --  
150 SPECIAL AGENT STEVEN LARSON: -- As --  
151 MR. ADAM BALL: -- Southfield --  
152 SPECIAL AGENT STEVEN LARSON: -- Southfield IT Group, okay,  
153 but the business I guess focus would be different than what  
154 National Elevation --  
155 MR. ADAM BALL: Correct.  
156 SPECIAL AGENT STEVEN LARSON: -- was initiated at.  
157 MR. ADAM BALL: Right.  
158 SPECIAL AGENT STEVEN LARSON: Okay. Well, um, just out of  
159 curiosity what's your background in IT?  
160 MR. ADAM BALL: I don't have any of it.

161 SPECIAL AGENT STEVEN LARSON: You don't have any. Okay.

162 What -- what about your wife? What's her background in IT?

163 MR. ADAM BALL: [inaudible 9:14].

164 SPECIAL AGENT STEVEN LARSON: Um, a lot?

165 MR. ADAM BALL: No.

166 SPECIAL AGENT STEVEN LARSON: None? Zero? Okay. All  
167 right. Um, and as you said the two of you are the only  
168 employees?

169 MR. ADAM BALL: Yeah.

170 SPECIAL AGENT STEVEN LARSON: Okay. And you do business  
171 with Survey Solutions?

172 MR. ADAM BALL: Correct.

173 SPECIAL AGENT STEVEN LARSON: And what -- what -- what --  
174 what services do you provide SSI?

175 MR. ADAM BALL: I think we're kinda starting to get in the  
176 area - I would prefer not to even get into it, um, I -- I --

177 SPECIAL AGENT STEVEN LARSON: -- Well Adam, we're, you  
178 know, we're -- we're -- we're -- we're here. This is an  
179 opportunity for you to explain a few things. Um, this -- I mean  
180 granted it, this isn't a just a casual conversation over -- over  
181 coffee, but I -- I've been doing this for -- for 20 years.  
182 Doug's been doing this for 10 years. And -- and I'm going to --  
183 I'm going to shoot straight with you, um, you -- you know the

184 best thing you can do at this point is -- is -- is get ahead of  
185 this and, uh, you know, talk to us and answer -- answer some  
186 questions here. Um, so I guess that's --

187 MR. ADAM BALL: -- Well, what was the question again?

188 SPECIAL AGENT DOUGLAS SMITH: Just kind of what, uh, what  
189 services you provide or what, uh, what -- what, uh, what  
190 Southfield does.

191 MR. ADAM BALL: Again it's a -- basically a data storage.  
192 A lot of the scan work that SSI does is very memory intensive,  
193 they got this mobile scanner basically. It basically drive at  
194 highway speeds and it's got laser beams that shoot everywhere  
**being issued**  
195 everywhere and collects data. The gigabytes, the terabytes and  
196 all that stuff, whatever. So Southfield IT Group was created,  
197 the entity that holds the memory to the head essentially.

198 SPECIAL AGENT STEVEN LARSON: Holds as a side data storage?

199 MR. ADAM BALL: Data storage.

200 SPECIAL AGENT STEVEN LARSON: Okay. Okay, how much --  
201 what's the - geez, Doug is more, uh, a computer guy than I am,  
202 but what -- what would you say what -- what kind of -- I mean  
203 for -- for all of that data storage, um, you probably need like  
204 what, servers or a lot of hardware somewhere, right?

205 MR. ADAM BALL: Yeah.

206           SPECIAL AGENT STEVEN LARSON: Where's that -- where's that  
207 maintained?

208           MR. ADAM BALL: I think most of it is right here.

209           SPECIAL AGENT STEVEN LARSON: You -- you think most of it's  
210 right here?

211           SPECIAL AGENT DOUGLAS SMITH: Um, sir, so service I know  
212 stuff can go virtual, so like I didn't know, uh, some people  
213 like subcontracted with like Amazon or other warehouse type  
storage

214 stuff that is stored offsite or -- or at least backed up. Some  
215 people have created a whole method of backup and stuff onsite,  
216 um, when -- so when you say here like backed up in here or here  
217 it's -- like the tower, like the racks and stuff there are here?

218           MR. ADAM BALL: Yeah. I think some are, some of the racks  
219 are back there. I do.

220           SPECIAL AGENT DOUGLAS SMITH: Okay.

221           MR. ADAM BALL: You can probably tell I'm not as familiar  
222 with it as I should be or whatever, but I [inaudible 12:49] --

223           SPECIAL AGENT DOUGLAS SMITH: -- Well if --

224           MR. ADAM BALL: -- I don't [inaudible 12:49] a lot of SSI  
225 employees. Kind of like when you're leasing a car you get from  
226 Hertz but --

227           SPECIAL AGENT DOUGLAS SMITH: -- Sure. --

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228           MR. ADAM BALL: -- but the -- the staff of the company that  
229    actually has possession of the -- the vehicle does the vast  
230    majority of [inaudible 13:11] and the saving and the [inaudible  
231    13:15].

232           SPECIAL AGENT DOUGLAS SMITH: Well, look, let's use an example  
233    Richard -- Richard Branson doesn't fly his virgin mobile planes.  
234    He doesn't necessarily operate his virgin mobile phones and all  
235    that kind of stuff. Like if -- clearly he's got other people  
236    that -- that -- that do that stuff and he doesn't have to be the  
237    most tech savvy or the best pilot to, you know, to own and  
238    operate his businesses. So, um, no, we -- we totally get that.  
239    That makes sense. If it's -- if it's here and if the data is  
240    coming in here, that makes sense to have it here. I'm assuming  
241    it's easier to -- to, you know, upload here, access here.

242           SPECIAL AGENT STEVEN LARSON: How much storage capacity do  
243    you supply SSI?

244           MR. ADAM BALL: I -- I couldn't tell you.

245           SPECIAL AGENT STEVEN LARSON: You don't know? Okay.

246           MR. ADAM BALL: I don't know what to tell you, but I don't  
247    know what the latest acronym is for terabyte or whatever, but I  
248    know it's a lot.

249           SPECIAL AGENT STEVEN LARSON: Okay. Um, let's see.

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250           SPECIAL AGENT DOUGLAS SMITH: While -- while he's looking  
251 over some papers there, uh, we actually have some really easy  
252 questions that we kind of skipped over. Um, we -- as -- as the  
253 federal government, my last name is Smith right, so no one  
254 believes who I am, so we're always trying to make sure we are  
255 who we say we are, um, can I confirm or -- or have your, uh,  
256 date of birth?

257           MR. ADAM BALL: Yeah. It's [REDACTED], 1977.

258           SPECIAL AGENT DOUGLAS SMITH: Okay. Um, what's a, uh, um,  
259 what's your main residence?

260           MR. ADAM BALL: [REDACTED] --

261           SPECIAL AGENT DOUGLAS SMITH: Okay.

262           MR. ADAM BALL: [REDACTED] [REDACTED], Saginaw, 48609.

263           SPECIAL AGENT DOUGLAS SMITH: Um, since you had kind of  
264 mentioned that you would be the registered agent for Southfield,  
265 that -- that would be Southfield's --

266           MR. ADAM BALL: Um, I think we, uh, in fact I know with  
267 National Elevation Certificates we registered them in Wyoming.

268           SPECIAL AGENT DOUGLAS SMITH: Oh okay. And then the mail  
269 just is forwarded or whatever?

270           MR. ADAM BALL: We had it processed up there. The -- the  
271 intent was our competitors at the time. We did not want them to  
272 know --

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273           SPECIAL AGENT DOUGLAS SMITH:     Mm-hm.

274           MR. ADAM BALL: -- who we were or what we were involved  
275 [inaudible 15:26]. So we registered [inaudible 15:30] to  
276 basically, I forget what it is, the actual owner doesn't have  
277 to sign the paper. You can have a registered agent out there do  
278 it for you.

279           SPECIAL AGENT DOUGLAS SMITH: Yeah.

280           MR. ADAM BALL: So in an attempt to have somewhat a veil to  
281 our [inaudible 15:46] once a year, I forget what the name of the  
282 corporate or the company is, but they basically send you a  
283 letter and say, hey, do you want us to --

284           SPECIAL AGENT STEVEN LARSON: -- Re --

285           MR. ADAM BALL: -- refile --

286           SPECIAL AGENT STEVEN LARSON: -- for the --

287           MR. ADAM BALL: -- file for the new year annually report  
288 for you or whatever for \$100. So we did that.

289           SPECIAL AGENT DOUGLAS SMITH: So I don't -- I don't  
290 practice law in this role, but I did go to law school and so I'm  
291 -- I'm totally familiar with, you know, like business and all  
292 that. Like sometimes it's more friendly when incorporate in  
293 some state and you do have to have some agent out there, you  
294 know, forward things --

295           MR. ADAM BALL: -- Yeah. --

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296           SPECIAL AGENT DOUGLAS SMITH: -- so yeah. You know that's  
297 -- that's, uh, that's perfectly fine. What's a, um, um, a good  
298 phone number for you too?

299           MR. ADAM BALL: 989 --

300           SPECIAL AGENT DOUGLAS SMITH: -- Okay. --

301           MR. ADAM BALL: -- [inaudible 16:30] 4-8-4 --

302           SPECIAL AGENT DOUGLAS SMITH: -- Okay. --

303           MR. ADAM BALL: -- 0-3-5-8.

304           SPECIAL AGENT DOUGLAS SMITH: Uh, is that a cell a home?

305           MR. ADAM BALL: Yeah, that's this phone right here.

306           SPECIAL AGENT DOUGLAS SMITH: Okay. That's uh --

307           SPECIAL AGENT STEVEN LARSON: -- Okay. --

308           SPECIAL AGENT DOUGLAS SMITH: -- that's all I had. If you  
309 --

310           SPECIAL AGENT STEVEN LARSON: -- Okay. Yeah. Yeah. Yeah.

311 --

312           SPECIAL AGENT DOUGLAS SMITH: -- [inaudible 16:44] --

313           SPECIAL AGENT STEVEN LARSON: -- Yeah, I just wanted to,  
314 uh, again kind of get a better understanding of, um, Southfield  
315 IT Group. You provide SSI most of the storage capability for  
316 your mobile surveying --

317           MR. ADAM BALL: -- [inaudible 17:04] --

318           SPECIAL AGENT STEVEN LARSON: -- equipment?

319 MR. ADAM BALL: Yeah. Yeah.

320 SPECIAL AGENT STEVEN LARSON: Okay. Okay, so in addition  
321 to SSI, what other clients do you have?

322 MR. ADAM BALL: Zero.

323 SPECIAL AGENT STEVEN LARSON: Zero clients other than SSI?

324 MR. ADAM BALL: Sure.

325 SPECIAL AGENT STEVEN LARSON: Okay. Do you know Andrew is  
326 it Semenchuk?

327 MR. ADAM BALL: [NON-VERBAL RESPONSE]

328 SPECIAL AGENT STEVEN LARSON: Okay. What -- what is his  
329 role in SSI or Southfield IT Group?

330 MR. ADAM BALL: He was the former owner of SSI.

331 SPECIAL AGENT STEVEN LARSON: Former owner of SSI.

332 SPECIAL AGENT DOUGLAS SMITH: Uh, you say -- you say former  
333 is that like recent, years ago?

334 MR. ADAM BALL: December 31 it basically switched.

335 SPECIAL AGENT DOUGLAS SMITH: Okay.

336 MR. ADAM BALL: -- Jeff. Jeff is now the owner.

337 SPECIAL AGENT STEVEN LARSON: Jeffrey who?

338 MR. ADAM BALL: Bartlett.

339 SPECIAL AGENT STEVEN LARSON: Jeff Bartlett now owns SSI?

340 MR. ADAM BALL: Correct.

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341           SPECIAL AGENT STEVEN LARSON: And again you have no  
342 ownership interest in SSI?

343           MR. ADAM BALL: Correct.

344           SPECIAL AGENT STEVEN LARSON: Well here's one of the  
345 things, Andrew Semenchuk, um, asserted to, um, Michigan, uh, DOT  
346 auditors that, um, Southfield IT Group was located in  
347 Southfield, Michigan. Any reason that would have occurred?

348           MR. ADAM BALL: I -- I think there is one of our -- our IT  
349 servers I think is down there somewhere. I couldn't even tell  
350 you where it's at.

351           SPECIAL AGENT STEVEN LARSON: Okay. I -- I -- I guess I'm  
352 -- I'm -- I'm confused. You -- you're only the owner -- you're  
353 the only employee of Southfield IT Group other than your wife,  
354 correct?

355           MR. ADAM BALL: [NON-VERBAL ANSWER].

356           SPECIAL AGENT STEVEN LARSON: So would your wife know where  
357 this server is in Southfield?

358           MR. ADAM BALL: No.

359           SPECIAL AGENT STEVEN LARSON: You -- do you pay any storage  
360 fees for this, uh --

361           MR. ADAM BALL: I think we do have to pay for [inaudible  
362 19:36] line or -- or something like that. I'm not positive

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363 exactly how it works. We [inaudible 19:40] -- I don't know how  
364 it works.

365 SPECIAL AGENT DOUGLAS SMITH: Does, uh, is -- is that  
366 convenient for SSI to be there? Like we had kind of discussed  
367 accessing if they're uploading, downloading whatever data?

368 MR. ADAM BALL: Yeah, I'm -- I'm pretty sure. He's, he's  
369 the one who set it up it was a high-speed hub of data transfer  
370 of -- of some sort that -- that advocated the stuff to have at  
371 the time. I -- I don't know about the inner workings of it  
372 though. I don't.

373 SPECIAL AGENT DOUGLAS SMITH: Do, um, if -- if it was  
374 [inaudible 20:32] sometimes, is that like some direction you would  
have gotten --

375 same production you would have gotten from either -- either  
376 Andrew or -- or Jeff or someone here to say, you know, hey, it  
377 would be really cool for you to do this here. Can -- can you  
378 set it up or -- or -- or do you take care of it? Like how -- is  
379 that how it works or how -- I'm -- like I'm assuming if you're  
380 in a store to set it up that you'd have to, uh, you'd have to  
381 pay for it at least or -- or authorize it or something. Um, but  
382 makes sense too that if SSI is your client decided on the client  
that that's kind of what

383 they want, you're going to try to cater to them.

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384           MR. ADAM BALL: Yeah. I'm -- I'm sure it was something  
385 they had asked for. It's been a long [inaudible 21:08], I don't  
386 remember exactly how the darn thing even started.

387           SPECIAL AGENT DOUGLAS SMITH: Okay.

388           SPECIAL AGENT STEVEN LARSON: I guess is there --

389           SPECIAL AGENT DOUGLAS SMITH: -- Well, I just going to say  
390 while we -- while he was looking over his notes there, do you --  
at this point

391 do you have any questions for us?

392           MR ADAM BALL: I don't. I don't really. You know, I'm --  
393 I'm assuming this is DOT related.

394           SPECIAL AGENT STEVEN LARSON: And -- and we're -- we're --  
395 we're trying -- I'm -- I'm just trying to wrap my head around,  
396 um, Southfield IT Group because I'm going to -- I'm going to be  
397 honest with you. We've -- we've looked at financials.

398           MR. ADAM BALL: Okay.

399           SPECIAL AGENT STEVEN LARSON: Okay.

400           SPECIAL AGENT DOUGLAS SMITH: -- I was going to say he said  
as much when he  
401 said he had the, uh, [inaudible 22:11] made, right?

402           MR. ADAM BALL: Yeah.

403           SPECIAL AGENT DOUGLAS SMITH: So.

404           SPECIAL AGENT STEVEN LARSON: So I mean we -- we've --  
405 we've -- we're not -- we're not the case agents on this but

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406 there's an awful lot of information that has been compiled prior  
407 to our arrival today.

408 MR. ADAM BALL: I'm sure. Okay.

409 SPECIAL AGENT STEVEN LARSON: And -- and Adam I'm -- I'm  
410 going to just shoot straight with you. Like -- like -- like --  
411 like I said in the beginning I was going to -- I mean I -- it --  
412 it looks to me like Southfield IT Group is nothing more than --  
413 than a shell company. Would -- would you concur with that?

414 MR. ADAM BALL: Probably. Yeah.

415 SPECIAL AGENT STEVEN LARSON: You -- you said probably.  
416 Could -- you're in -- you're in agreement, correct?

417 MR. ADAM BALL: I would have to be, yeah.

418 SPECIAL AGENT STEVEN LARSON: Okay. All right. That's --  
419 that's one hurdle we had to -- we had to clear, and we've  
420 cleared it. Okay. So I guess let's -- let's just jump right  
421 into why was the shell company established?

422 MR. ADAM BALL: I -- I mean are we -- are we getting into  
423 an area where I don't know -- I don't know. I mean I --

424 SPECIAL AGENT STEVEN LARSON: -- Let -- let -- again let's  
425 -- let's -- let's -- let's continue, why -- why was Southfield  
426 IT Group established? It's obvious, I mean based on what you've  
427 told us, that you don't have much of an IT background and you've

428 told me the only two employees are you and your wife and that  
429 your only clients are SSI.

430 MR. ADAM BALL: Yeah. Yeah.

431 SPECIAL AGENT STEVEN LARSON: So let's -- let's -- let's  
432 finish the explanation here. Why was it set up? Who decided to  
433 set it up? Who was involved? Etc. Etc.

434 MR. ADAM BALL: I -- I don't even know if I can get into  
435 that.

436 SPECIAL AGENT DOUGLAS SMITH: Let me -- let me -- let me  
437 ask you kind of a preceding question about that, um, and -- and  
438 we can see it's tough. This is -- this is not -- like we've  
439 kind of discussed briefly while -- while we were setting things up  
440 in the room here that, uh, you know, not a normal day. Not an  
441 easy thing to go through. Um, because you're not used to  
442 someone showing up and asking you these kinds of things. We did  
443 say thought that we -- we assumed you would have questions and we  
had  
444 questions, so as -- as -- as we go down that path, is there  
445 anything we can answer that would -- that would, uh, that would  
446 help you? I mean if you're giving us information that's helping  
447 us, is there anything we can do to help you get through that?

448 SPECIAL AGENT STEVEN LARSON: I mean you -- it -- Adam,  
449 you've -- you've -- you've been -- so far you've been -- you've  
450 been nothing but -- but forthright with -- with us from what I

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451 can tell. I mean you've admitted that the -- that Southfield IT  
452 Group is a shell company. What we need to know now is why? Why  
453 was it set up as a shell company? Who was involved in that  
454 decision making process? Let's -- let's -- let's finish the --  
455 the explanation.

456 MR. ADAM BALL: I think the [inaudible 26:02].

457 SPECIAL AGENT DOUGLAS SMITH: Well and --

458 SPECIAL AGENT STEVEN LARSON: -- You --

459 SPECIAL AGENT DOUGLAS SMITH: -- We -- well again  
460 We kind of covered when we asked if you

461 wanted to have anyone else present like an attorney or  
462 something, that would be up to you, and you can discontinue  
463 questioning at any time. Is -- would -- would having an  
464 attorney help you answer the questions or -- or is there -- or  
465 do you think there -- if -- if we're wading in the waters that  
466 you don't want to answer without counsel, is there -- is there  
467 another way -- like I said another way we can go? Another way  
468 we ask you? Is there something else that -- that, uh, that we  
469 can do so it's -- it's, uh, more comfortable for you to keep  
470 going?

471 MR. ADAM BALL: I don't know. I've never -- I've never  
472 been in on of these situations [inaudible 26:59].

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473           SPECIAL AGENT DOUGLAS SMITH: So -- well let me ask you a -  
474 - a little bit different question then. So we talked to you.  
475 You mentioned Jeff Bartlett. You mentioned Andrew Semenchuk.  
476 Is there -- is there someone else we should talk to?

477           MR. ADAM BALL: No.

478           SPECIAL AGENT DOUGLAS SMITH: Okay.

479           SPECIAL AGENT STEVEN LARSON: What -- what -- what's your -  
480 - let's ask some more background questions. Let's just kind of  
481 just take a -- take a deep breath here. What is your  
482 compensation here at SSI on an annual basis?

483           MR. ADAM BALL: It varies each year but --

484           SPECIAL AGENT STEVEN LARSON: How long have you been here?

485           MR. ADAM BALL: 10 years.

486           SPECIAL AGENT STEVEN LARSON: 10 years. Okay. What was it  
487 last year?

488           MR. ADAM BALL: Um, I -- I couldn't even tell you but  
489 probably 300,000.

490           SPECIAL AGENT STEVEN LARSON: Three hundred thousand.

491 Okay. I'm not going to hold you to the penny. Okay. But you  
492 think that's a --

493           MR. ADAM BALL: That's close. Yeah.

494           SPECIAL AGENT STEVEN LARSON: So I -- I mean -- come on, I  
495 mean I -- we all know ballpark what we make. Do I want this --

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496 again, I'm not going to hold you to the penny, but -- but I want  
497 a -- a honest answer.

498 MR. ADAM BALL: Yeah.

499 SPECIAL AGENT STEVEN LARSON: All right. So last year  
500 2018, your salary was?

501 MR. ADAM BALL: Close to 300,000.

502 SPECIAL AGENT STEVEN LARSON: Close to 300,000 from SSI?

503 MR. ADAM BALL: Correct.

504 SPECIAL AGENT STEVEN LARSON: Okay. But we've learned that  
505 you also control Southfield IT Group. Any money from may --  
506 made from Southfield IT Group? How much in 2018?

507 MR. ADAM BALL: 1.5 million.

508 SPECIAL AGENT STEVEN LARSON: 1.5 million. So SSI, your  
509 sole customer paid Southfield IT group north of 1.5 million I'm  
510 assuming for -- for services.

511 MR. ADAM BALL: [inaudible 29:03]

512 SPECIAL AGENT STEVEN LARSON: And -- and -- and then you  
513 took a salary of about 1.5 million for 2018.

514 MR. ADAM BALL: That sounds about right.

515 SPECIAL AGENT STEVEN LARSON: Sounds about right. Okay.  
516 All right. Okay, uh, what about your wife? She works for  
517 Southfield IT Group, what did she make in 2018?

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518           MR. ADAM BALL: Give them whatever proportion that she  
519       owns.

520           SPECIAL AGENT STEVEN LARSON: What proportion of --

521           MR. ADAM BALL: -- [inaudible 29:30] 80/20.

522           SPECIAL AGENT STEVEN LARSON: 80/20. So help me out with  
523       the math there. That'd be like \$300,000?

524           SPECIAL AGENT DOUGLAS SMITH: Is that a quarter million  
525       [inaudible 29:39]?

526           MR. ADAM BALL: I -- I don't know. Yeah.

527           SPECIAL AGENT DOUGLAS SMITH: Okay.

528           MR. ADAM BALL: And I -- to be honest mine could have been  
529       1.3 and hers 200. I -- I -- I don't remember. I mean --

530           SPECIAL AGENT STEVEN LARSON: -- But -- but she --

531           MR. ADAM BALL: -- [inaudible 29:49] --

532           SPECIAL AGENT STEVEN LARSON: -- she -- she probably --  
533       200,000ish probably. Okay. Now that --

534           MR. ADAM BALL: -- And do you -- you -- you probably have  
535       the numbers. I'm -- I mean we filed taxes. I'm -- I'm sure  
536       you've got the numbers.

537           SPECIAL AGENT STEVEN LARSON: Um, actually I -- I don't.  
538       Okay. I -- I don't. I have numbers for some things. This is  
539       just a -- again let's just take a breath and get some

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540 background, okay. So -- so your wife, I'm -- I'm guessing  
541 that's her only source of employment?

542 MR. ADAM BALL: No.

543 SPECIAL AGENT STEVEN LARSON: What else does -- does your  
544 wife do?

545 MR. ADAM BALL: She's a school teacher.

546 SPECIAL AGENT STEVEN LARSON: School teacher. Is she a  
547 full time school teacher?

548 MR. ADAM BALL: Yeah.

549 SPECIAL AGENT STEVEN LARSON: Okay. Um, so she has income  
550 coming in from her position with -- what school does she work  
551 for?

552 MR. ADAM BALL: Swan Valley.

553 SPECIAL AGENT STEVEN LARSON: Swan Valley okay. All right.  
554 I live down that way. I'm in Freeland.

555 MR. ADAM BALL: Okay.

556 SPECIAL AGENT STEVEN LARSON: Yeah. A Falcon versus a  
557 Viking, right?

558 MR. ADAM BALL: Yeah.

559 SPECIAL AGENT STEVEN LARSON: Is that it? All right. All  
560 right. Um --

561 SPECIAL AGENT DOUGLAS SMITH: -- What age? Just curious.

562 MR. ADAM BALL: High school.

563           SPECIAL AGENT DOUGLAS SMITH: High school.

564           SPECIAL AGENT STEVEN LARSON: High school, okay. Uh, does  
565       she -- does she have any other duties, uh, in her teaching. Is  
566       she a --

567           MR. ADAM BALL: Student counsel, but --

568           SPECIAL AGENT STEVEN LARSON: Student counsel, okay.

569       Anything else? [inaudible 31:05] teacher's name? A lot of them  
570       are like coaching, um --

571           MR. ADAM BALL: She coached for 10 years.

572           SPECIAL AGENT STEVEN LARSON: Coached for 10 years. When  
573       did she give that up?

574           MR. ADAM BALL: Five years ago.

575           SPECIAL AGENT STEVEN LARSON: Okay, so --

576           MR. ADAM BALL: [inaudible 31:15]

577           SPECIAL AGENT STEVEN LARSON: Okay. All right. And again  
578       that's a full-time teaching job, right?

579           MR. ADAM BALL: [inaudible 31:24].

580           SPECIAL AGENT STEVEN LARSON: So she -- what are her hours?  
581       She probably has to show up at school what?

582           MR. ADAM BALL: 7:30 to 2:30 maybe.

583           SPECIAL AGENT STEVEN LARSON: 7:30 to 2:30. Okay. Does  
584       she have summers off?

585           MR. ADAM BALL: Yeah.

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586           SPECIAL AGENT STEVEN LARSON: Okay. All right. So that  
587 was 2018. Let's go back another -- let's go back 2017. What --  
588 what did you make? Again, Adam I just want a -- I just want  
589 ballpark?

590           MR. ADAM BALL: I'm -- I'm guessing similar.

591           SPECIAL AGENT STEVEN LARSON: Similar. So around 300,000  
592 from SSI and 1.5 million thereabout from Southfield IT Group.  
593 And same with your wife Sarah?

594           MR. ADAM BALL: Again I -- two years ago I -- I can't -- I  
595 can't remember. I mean that's -- it would have been 80/20 or  
596 whatever Southfield IT Group would have brought in.

597           SPECIAL AGENT STEVEN LARSON: Okay. She's 20% owner.  
598 You're 80% owner.

599           MR. ADAM BALL: I think.

600           SPECIAL AGENT STEVEN LARSON: You think?

601           MR. ADAM BALL: It might be 85/15. I -- I can't remember  
602 how it was set up.

603           SPECIAL AGENT STEVEN LARSON: Okay. Do you have an  
604 accountant?

605           MR. ADAM BALL: Um, Nas [phonetic 32:42] Foulds & Co.

606           SPECIAL AGENT STEVEN LARSON: Nasfolds? Uh, is that the  
607 name of the company or --

608 MR. ADAM BALL: -- Nas Foulds & Company company.

609 [inaudible 32:53] Saginaw.

610 SPECIAL AGENT STEVEN LARSON: Saginaw.

611 SPECIAL AGENT DOUGLAS SMITH: I'm -- I'm not personally  
612 familiar with that F-O-L-D-S.

613 MR. ADAM BALL: Uh, F-O-L-D-S.

614 SPECIAL AGENT DOUGLAS SMITH: Oh okay.

615 SPECIAL AGENT STEVEN LARSON: That's the only accountant  
616 that -- that you've worked with? What about for, uh, Southfield  
617 IT Group?

618 MR. ADAM BALL: The same thing. I guess [inaudible 33:19]

619 --

620 SPECIAL AGENT STEVEN LARSON: -- Okay. --

621 MR. ADAM BALL: -- if that's what you're asking.

622 SPECIAL AGENT STEVEN LARSON: Oh okay. Okay. Okay. Folds  
623 Foulds & Company. Okay. All right. All right. Um, who's  
624 SSI's accountant?

625 MR. ADAM BALL: The same.

626 SPECIAL AGENT STEVEN LARSON: It's the same. Okay. Did --  
627 did they help you set up the Southfield IT Group?

628 MR. ADAM BALL: I think so. I can't remember exactly but  
629 I'm pretty sure.

630           SPECIAL AGENT STEVEN LARSON: As far as the -- now when I  
631 say Southfield IT Group does go back to the National --

632           MR. ADAM BALL: -- National Elevation Certificates --

633           SPECIAL AGENT STEVEN LARSON: Certificates. So they --  
634 they helped form that company --

635           MR. ADAM BALL: I think so. I mean [inaudible 34:06]  
636 setting those things up. It's -- it's usually a phone call or  
637 something like that that says, hey, [inaudible 34:13].

638           SPECIAL AGENT STEVEN LARSON: Okay.

639           MR. ADAM BALL: [Inaudible 34:16].

640           SPECIAL AGENT STEVEN LARSON: So -- so then was it -- was  
641 it -- the -- the accountant whose idea was to set up Southfield  
642 IT Group and the -- like I said -- like we've established it's  
643 basically a shell company?

644           MR. ADAM BALL: We're coming back to that same question.

645           SPECIAL AGENT STEVEN LARSON: Back to that same question  
646 that you're uncomfortable answering?

647           MR. ADAM BALL: Yeah.

648           SPECIAL AGENT STEVEN LARSON: What does -- what does yeah  
649 mean? That you're not going to answer the question or we're  
650 just apprehensive and we're going to do some back and forth and  
651 --

652           MR. ADAM BALL: -- I don't know. [inaudible 35:09].

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653           SPECIAL AGENT DOUGLAS SMITH: Okay. We -- we wish things  
654 would happen [inaudible 35:18].

655           SPECIAL AGENT STEVEN LARSON: Yeah.

656           SPECIAL AGENT DOUGLAS SMITH: Uh.

657           SPECIAL AGENT STEVEN LARSON: Okay. So if we were to, um,  
658 continue down the road of your annual income for the last  
659 several years you're going to -- I don't want to put words in  
660 your mouth, but you're going to -- you're going to tell me if I  
661 go 2016 you don't remember. Similar to what it was this year.

662           MR. ADAM BALL: And I'm not doing that on purpose.

663           SPECIAL AGENT STEVEN LARSON: Mm-hm.

664           MR. ADAM BALL: Honestly, I can -- I can't hardly tell you  
665 what I make today [inaudible 35:53].

666           SPECIAL AGENT STEVEN LARSON: How is that possible though?

667           MR. ADAM BALL: It's just such a volatile [inaudible  
668 35:58].

669           SPECIAL AGENT STEVEN LARSON: Volatile? Well I mean I -- I  
670 don't want to get argumentative here, but the last couple of  
671 years you told me, um, it's been pretty consistent.

672 Consistently high. I mean that's --

673           MR. ADAM BALL: I -- I don't remember '17.

674           SPECIAL AGENT STEVEN LARSON: Mm-hm.

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675           MR. ADAM BALL: I mean [inaudible 36:18] exactly '17, but  
676 it's all based on, you know, performance-based bonuses, and all  
677 of that other stuff, so till the end of the year hits you -- you  
678 don't know how you're going to be rewarded or not.

679           SPECIAL AGENT STEVEN LARSON: Well, you have an idea. It  
680 sounds like the majority of your income is coming from  
681 Southfield IT Group.

682           MR. ADAM BALL: Correct.

683           SPECIAL AGENT STEVEN LARSON: So you know how that's  
684 handling, right? Or how do you decide what to pay yourself  
685 through Southfield IT Group? Who makes that decision?

686           MR. ADAM BALL: I mean you talk to the accountants  
687 basically but every year you -- essentially you don't know  
688 [inaudible 36:56] comes in.

689           SPECIAL AGENT STEVEN LARSON: Huh-uh.

690           MR. ADAM BALL: [inaudible 37:03]

691           SPECIAL AGENT STEVEN LARSON: Does -- does Southfield IT  
692 Group -- you've only got two employees, so money should only be  
693 going to you and Sarah correct? There's been no disbursements  
694 to anyone else through Southfield IT Group?

695           MR. ADAM BALL: No.

696           SPECIAL AGENT DOUGLAS SMITH: Well other -- other than your  
697 expenses like to say if you're setting something up or.

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698           SPECIAL AGENT STEVEN LARSON: You've never disbursed any  
699 money to -is it Tara or Tera Semenchuk?

700           MR. ADAM BALL: I think it was a loan given to here at one  
701 time.

702           SPECIAL AGENT STEVEN LARSON: A loan. For how much?

703           MR. ADAM BALL: [inaudible 38:00].

704           SPECIAL AGENT STEVEN LARSON: But it's your company.

705           MR. ADAM BALL: Yep. It is.

706           SPECIAL AGENT STEVEN LARSON: Who decided to make her the  
707 loan? Or give her the loan?

708           MR. ADAM BALL: I guess ultimately it falls on me.

709           SPECIAL AGENT STEVEN LARSON: Ultimately it falls on you  
710 but practically were other people involved in the decision  
711 making for Southfield IT Group, SSI when it comes to who's  
712 getting what?

713           SPECIAL AGENT DOUGLAS SMITH: Maybe another way of thinking  
714 of it is it's not uncommon for a company to have only one client  
715 or just for that -- for that reason that purpose and kind of  
716 like we discussed earlier, if you only have one client or a  
717 small amount of clients, you kind of want to be responsive to  
718 their needs. If there's a need to from your client, you know,  
719 disburse a loan, set up a server whatever, that's -- there's --  
720 there's nothing illegal about that.

721 MR. ADAM BALL: [Inaudible 39:22].

722 SPECIAL AGENT STEVEN LARSON: Okay. Um, let's -- we seem  
723 to be hung up on you providing answers as to why the Southfield  
724 IT Group, i.e., the -- the shell company was formed and who was  
725 behind all of that. So let's again we'll -- we'll -- we'll  
726 shift gears, um, and just cover some -- some simple -- maybe  
727 some more topics. Um, your wife Sarah's, uh, timesheets, um,  
728 who would have signed those?

729 MR. ADAM BALL: Sarah does.

730 SPECIAL AGENT STEVEN LARSON: Sarah signed her own  
731 timesheets?

732 MR. ADAM BALL: I think so.

733 SPECIAL AGENT STEVEN LARSON: Okay. Does -- does she have  
734 like regular work hours?

735 MR. ADAM BALL: No.

736 SPECIAL AGENT STEVEN LARSON: No. How -- how, uh, how many  
737 hours a week would you say Sarah works for, um, Southfield IT?

738 MR. ADAM BALL: Zero for Southfield IT now.

739 SPECIAL AGENT STEVEN LARSON: She works zero hours for  
740 Southfield IT Group. Then what justifies her compensation?

741 MR. ADAM BALL: [inaudible 41:47].

742 SPECIAL AGENT STEVEN LARSON: You're part owners of it  
743 together. That's the sole justification for her -- her  
744 receiving a paycheck?

745 MR. ADAM BALL: We're spouses, I mean -

746 SPECIAL AGENT STEVEN LARSON: Okay.

747 MR. ADAM BALL: I -- I think by -- by law [inaudible 42:04]  
748 I'm pretty sure it has to be -- I know this kind of -- of an  
749 accounting question, but I'm pretty sure it has to be disbursed  
750 in proportion to your ownership.

751 SPECIAL AGENT DOUGLAS SMITH: It would -- it would depend  
752 on the Articles Incorporation probably. Uh, there's probably some  
rule in there  
753 that -- that -- and -- and it may be very standard boilerplates  
754 from your accounting firm or whatever, but, uh, yeah,  
755 usually it's -- it's disbursed based upon, uh, uh, your  
756 ownership percentage. And again, that's because of whatever  
757 [inaudible 42:29] was put into the company [inaudible 42:30] or  
758 something along those lines. Um, the, uh, so I -- I just have a  
759 question about this. So she -- as in -- so she was doing  
760 timesheets and -- and I'm just not familiar with this part of  
761 it. She was doing timesheets even though she was an owner with  
762 them?

763 MR. ADAM BALL: [inaudible 42:56].

764           SPECIAL AGENT DOUGLAS SMITH: I missed something then  
765 because I thought I -- I thought I heard you say she signed the  
766 -- she signed the timesheets.

767           MR. ADAM BALL: She was [inaudible 43:05] --

768           SPECIAL AGENT DOUGLAS SMITH: -- Oh. So those were -- when  
769 -- so when she signs timesheets, you're saying the timesheets  
770 that were for SSI, not for Southfield?

771           SPECIAL AGENT STEVEN LARSON: Oh, oh Sarah works for SSI?  
772 What does she do for SSI?

773           MR. ADAM BALL: Have a few titles, administrative assistant  
774 or something like that.

775           SPECIAL AGENT STEVEN LARSON: Administrative assistant.  
776 Does she come -- does she have an office?

777           MR. ADAM BALL: [NON-VERBAL RESPONSE].

778           SPECIAL AGENT STEVEN LARSON: Does she have an email  
779 address?

780           MR. ADAM BALL: No.

781           SPECIAL AGENT STEVEN LARSON: No. No SSI email address?

782           MR. ADAM BALL: [NO VERBAL RESPONSE].

783           SPECIAL AGENT STEVEN LARSON: Who do -- who is she the  
784 administrative assistant for?

785           MR. ADAM BALL: Probably me more than anybody.

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786           SPECIAL AGENT STEVEN LARSON: Probably you more than  
787 anybody. What kind of work do you give her? You're shaking  
788 your head no. Does that mean like -- I mean be honest with me.  
789 You don't give her any work, correct?

790           MR. ADAM BALL: I don't [inaudible 44:05].

791           SPECIAL AGENT STEVEN LARSON: Say that again.

792           MR. ADAM BALL: I don't give her any work.

793           SPECIAL AGENT STEVEN LARSON: You don't give her any work.

794           MR. ADAM BALL: I'm assuming this is for [inaudible 44:12].

795           SPECIAL AGENT STEVEN LARSON: Um, you don't give her any  
796 work. Okay.

797           MR. ADAM BALL: [inaudible 44:20] still being recorded?

798           SPECIAL AGENT STEVEN LARSON: Is it being recorded? Yes.  
799 Um, so she doesn't have any work, yet she's pulling down a  
800 paycheck. Not from SSI.

801           MR. ADAM BALL: [inaudible 44:57].

802           SPECIAL AGENT STEVEN LARSON: Well is she -- she's -- she's  
803 making money for -- I -- I don't think -- I don't think we have  
804 information that she's -- she's getting a paycheck from SSI.  
805 It's all coming from Southfield IT Group.

806           MR. ADAM BALL: She does get a check from SSI.

807           SPECIAL AGENT STEVEN LARSON: Oh she does get a check from  
808 SSI.

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809           SPECIAL AGENT DOUGLAS SMITH: I was just trying to clarify,  
810 you said the timesheets for her -- we -- we told you we had  
811 questions because we don't know the answers okay. Um, the time  
812 -- you said the timesheets were from SSI, um --

813           SPECIAL AGENT STEVEN LARSON: -- Is this SSI or Southfield  
814 IT Group? Okay.

815           SPECIAL AGENT DOUGLAS SMITH: Because if it's Southfield  
816 ownership interest.. the 20 percent or the 15 or whatever.

817           SPECIAL AGENT STEVEN LARSON: All right. Do you know who  
818 signed the checks written to Sarah here? Um, or I -- I guess --  
819 again we're not the case agents, but it says who signed the  
820 checks written to Sarah on the endorsements. The last name is  
821 written out. Do you see these? I'll just let you take a look  
822 at those -- those checks.

823           MR. ADAM BALL: [inaudible 46:30].

824           SPECIAL AGENT STEVEN LARSON: Yep. Who -- who's -- who's  
825 that?

826           MR. ADAM BALL: Courtney.

827           SPECIAL AGENT STEVEN LARSON: Okay. And then on the  
828 endorsement line that looks like to me --

829           MR. ADAM BALL: Yeah.

830           SPECIAL AGENT STEVEN LARSON: -- Sarah's name.

831           MR. ADAM BALL: Yeah.

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832           SPECIAL AGENT STEVEN LARSON: And then who's under that?

833           MR. ADAM BALL: That's me.

834           SPECIAL AGENT STEVEN LARSON: That -- that's you?

835           MR. ADAM BALL: That's my signature.

836           SPECIAL AGENT STEVEN LARSON: Okay. Take a look at -- at  
837 all of them there. I think --

838           MR. ADAM BALL: Yeah.

839           SPECIAL AGENT STEVEN LARSON: Okay. So on -- on these  
840 checks written to Sarah and this -- these -- this is from  
841 Southfield IT Group, so Courtney -- who's Courtney?

842           MR. ADAM BALL: That my office manager.

843           SPECIAL AGENT STEVEN LARSON: Office manager. So she's --  
844 she's -- the SSI office manager? She's -- she's writing checks  
845 for Southfield IT Group?

846           MR. ADAM BALL: [NON-VERBAL RESPONSE].

847           SPECIAL AGENT STEVEN LARSON: Under who's direction?

848           MR. ADAM BALL: Mine I guess. Mine.

849           SPECIAL AGENT STEVEN LARSON: Yours you guess. Or I mean  
850 are -- are there other people making -- are you working in  
851 cooperation with other people?

852           MR. ADAM BALL: [NO VERBAL RESPONSE].

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853           SPECIAL AGENT STEVEN LARSON: Are -- are you sitting down  
854 at the table with -- with Jeff? With Brian? And -- and others  
855 from SSI to make the decision?

856           MR. ADAM BALL: I would say yes. And there's -- I think  
857 we've got as close of work relationship [inaudible 48:15] yes.

858           SPECIAL AGENT STEVEN LARSON: So Jeff Bartlett. Brian  
859 Bartlett. Yourself and who else?

860           MR. ADAM BALL: At the time it would have been probably  
861 Andy.

862           SPECIAL AGENT STEVEN LARSON: Andy?

863           MR. ADAM BALL: Semenchuk.

864           SPECIAL AGENT STEVEN LARSON: Semenchuk. Okay. Anybody  
865 else?

866           MR. ADAM BALL: Um, Tony Thelen.

867           SPECIAL AGENT STEVEN LARSON: Tony Thelen? Anybody else?

868           MR. ADAM BALL: No.

869           SPECIAL AGENT STEVEN LARSON: Okay. So -- so the -- what  
870 the -- you, Brian, Jeff, Andy, Tony Thelen. There's five of you  
871 or six? Or did -- I'm missing one?

872           MR. ADAM BALL: Five.

873           SPECIAL AGENT STEVEN LARSON: Five. Five. Okay. So the  
874 five of you were making decisions on disbursing funds for both  
875 SSI as well as Southfield IT Group?

876           MR. ADAM BALL: I would -- I would say yes. [inaudible  
877 49:28].

878           SPECIAL AGENT STEVEN LARSON: Yes. Okay.

879           MR. ADAM BALL: When you're doing business, you know, when  
880 your negotiations and everything else, so.

881           SPECIAL AGENT STEVEN LARSON: So the -- so the five of you  
882 sit down and decided how the -- how the funds are -- are going  
883 to be disbursed? Who's making what? That sort of thing?

884           SPECIAL AGENT DOUGLAS SMITH: For -- for example, going  
885 back to the -- the loan to Tara, that we had mentioned, it is --  
886 it is fair to say that among that group of the five of you,  
887 that's how that decision came?

888           MR. ADAM BALL: [inaudible 50:16].

889           SPECIAL AGENT DOUGLAS SMITH: Okay.

890           MR. ADAM BALL: And their accountants had a lot to do with  
891 us getting paid you know. First tax - taxes, you know,  
892 LLC's, you can save some money versus who's in the company and,  
893 um, I don't know.

894           SPECIAL AGENT DOUGLAS SMITH: When -- when you say  
895 accounting, uh, that's the fouls?

896           MR. ADAM BALL: Yeah.

897           SPECIAL AGENT DOUGLAS SMITH: Okay. Do -- does anyone from  
898 -- I know you said they kind of help you with the numbers and

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899 figure out, you know, the best business interest, you know, LLC  
900 versus incorporated or all those kinds of things, um, do -- do  
901 any of them, um, uh, take part in -- to determine, you know,  
902 negotiations of business?

903 MR. ADAM BALL: I don't -- I don't think so. I mean --

904 SPECIAL AGENT DOUGLAS SMITH: I mean I know that you said  
905 they kind of advised you like how -- how the finances, uh,  
906 should look and how to prepare the taxes, you know, for tax  
907 purposes. Um, what, you know, what accounts to -- to use to  
908 make sure you're following the law and things like that, um, and  
909 -- and that -- that makes -- that makes perfect sense, um, but  
910 and then that's what I was trying to draw a line between whether  
911 -- whether they actually had any say in the business people  
912 that advise that.

913 MR. ADAM BALL: I would say -- I mean, Foulds i  
914 kind of more of an advisory. They -- they ultimately obviously  
915 don't have any decision on the ultimate check that's written or  
916 whatever, but they do weigh in on, you know, how to not cheat  
917 the system. IRS wise or anything like that, but hey, this is --  
918 this is how the rules are written. This is the -- the best way  
919 of capitalizing a couple extra percent if you're -- you're  
920 organizing as a LLC versus a C Corp. like that.

921           SPECIAL AGENT DOUGLAS SMITH: That makes sense for  
922 accounting. Um, you -- I think I wrote it down because I hadn't  
923 -- hadn't heard the term like [inaudible 52:33] account. Um,  
924 yeah, they -- they would probably advise you to do that right?

925           MR. ADAM BALL: Yeah.

926           SPECIAL AGENT DOUGLAS SMITH: Like which account to -- to  
927 make sure was -- was where. I mean [inaudible 52:42] that's  
928 what we all do right? I mean, you get a deadline and you max out  
your  
929 -- your 401K or IRA or whatever right.

930           MR. ADAM BALL: Right.

931           SPECIAL AGENT DOUGLAS SMITH: Okay.

932           SPECIAL AGENT STEVEN LARSON: Okay. And I'm -- I'm  
933 bouncing around a bit, but I just want to get clarification on,  
934 uh, Tara or Tara Semenchuk.

935           MR. ADAM BALL: It's Tara.

936           SPECIAL AGENT STEVEN LARSON: Tara. Um, money was paid to  
937 -- to her but \$700,000 and it was a loan you said, is that  
938 correct?

939           MR. ADAM BALL: Yeah. It was a loan.

940           SPECIAL AGENT STEVEN LARSON: Okay. And is she paying back  
941 that loan?

942           MR. ADAM BALL: I'm pretty sure gradually, yeah.

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943           SPECIAL AGENT STEVEN LARSON: Gradually, yeah. What are  
944 her loan payments? What's the loan agreement?

945           MR. ADAM BALL: I forget exactly what it is, but I'm pretty  
946 sure it was paying interest only or something like that.

947           SPECIAL AGENT STEVEN LARSON: Interest only? So principle  
948 would never have to be repaid?

949           MR. ADAM BALL: At -- at some point it would be I'm  
950 thinking.

951           SPECIAL AGENT STEVEN LARSON: You're -- you're thinking.  
952 Any -- any loan agreement written on -- on that? Would there be  
953 written documentation?

954           MR. ADAM BALL: I think probably.

955           SPECIAL AGENT STEVEN LARSON: Who would have that do you  
956 think?

957           MR. ADAM BALL: Courtney probably would.

958           SPECIAL AGENT STEVEN LARSON: Courtney. Okay, so might  
959 have some -- some paperwork on that loan? Okay, um,

960           SPECIAL AGENT DOUGLAS SMITH: -- Uh --

961           SPECIAL AGENT STEVEN LARSON: -- and you I'm -- I'm sorry.  
962 Go ahead.

963           SPECIAL AGENT DOUGLAS SMITH: I was going to say not -- I  
964 was just going to clarify not Foulds, uh, not [inaudible 54:25]  
965 they would have necessarily paperwork or --

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966 MR. ADAM BALL: I don't think they would.

967 SPECIAL AGENT DOUGLAS SMITH: Okay.

968 SPECIAL AGENT STEVEN LARSON: Okay. And then just to kind  
969 of clarify what -- what you said so far, um, regarding why  
970 checks were cut from Southfield IT Group to Sarah, um, instead  
971 of just yourself, um, it was because Sarah owns a percentage of  
972 Southfield IT Group?

973 MR. ADAM BALL: I'm pretty sure [inaudible 55:05] told us  
974 that.

975 SPECIAL AGENT STEVEN LARSON: Rather than write everything  
976 to yourself you should --

977 MR. ADAM BALL: -- [inaudible 55:08] to the --

978 SPECIAL AGENT STEVEN LARSON: -- to the ownership --

979 MR. ADAM BALL: -- ownership --

980 SPECIAL AGENT STEVEN LARSON: -- interest.

981 MR. ADAM BALL: Yeah. [inaudible 55:15] a whole nother LLC  
982 Was set up percentage wise.

983 SPECIAL AGENT STEVEN LARSON: Okay. So -- so that's why  
984 Sarah got money from Southfield IT Group despite not doing any  
985 work?

986 MR. ADAM BALL: Correct.

987 SPECIAL AGENT STEVEN LARSON: Okay. [CELL PHONE RINGING]  
988 Um, yeah, we're just going to have to let that ring, if you

989 don't mind. Thank you. Um, and then Sarah works here although  
990 she doesn't do anything, correct.

991 MR. ADAM BALL: Correct.

992 SPECIAL AGENT STEVEN LARSON: Okay. Okay. Um, because a -  
993 - a - again we're not as intimately I guess knowledgeable about  
994 all the inner workings and then what statements have --  
995 documents have been reviewed. What -- what has not been at this  
996 point. But it's my understanding that SSI -- now we're talking  
997 Survey Solutions Inc., um, claimed Sarah worked, uh, 1232 hours  
998 in 2017. Okay. But she's also a full-time teacher, correct?

999 MR. ADAM BALL: [NO VERBAL RESPONSE].

1000 SPECIAL AGENT STEVEN LARSON: Okay. She received pay of  
1001 \$35,748 from SSI in 2017 and she was bonused \$83,000 from SSI in  
1002 2017. You want to see the -- that pay work or are you good with  
1003 it?

1004 MR. ADAM BALL: That sounds about right.

1005 SPECIAL AGENT STEVEN LARSON: Sounds about right. Okay.  
1006 Explain that? You can't explain it?

1007 MR. ADAM BALL: No.

1008 SPECIAL AGENT STEVEN LARSON: Okay. It - Adam, do any of  
1009 the other spouses in the group of five, you mentioned [CELL  
1010 PHONE RINGING] yourself, Jeffrey Bartlett, Brian Bartlett, um,  
Andy  
1011 Semenchuk and then the Thelen. What was his name? The, um --

1012 MR. ADAM BALL: -- Tony.

1013 SPECIAL AGENT STEVEN LARSON: Tony. Tony. Anthony Thelen.

1014 Are they involved?

1015 MR. ADAM BALL: With what?

1016 SPECIAL AGENT STEVEN LARSON: Receiving checks? Receiving  
1017 an income from either SSI or Southfield IT Group?

1018 MR. ADAM BALL: We're talking spouses you said?

1019 SPECIAL AGENT STEVEN LARSON: Yeah.

1020 MR. ADAM BALL: Yes.

1021 SPECIAL AGENT STEVEN LARSON: Okay. What -- what's your  
1022 knowledge of -- of the other spouses involvement in SSI? And  
1023 I've got to believe you know the answer to this.

1024 MR. ADAM BALL: I would say probably somewhere similar as  
1025 Sarah.

1026 SPECIAL AGENT STEVEN LARSON: Similar as Sarah, so  
1027 basically on paper only. They're not doing any work?

1028 MR. ADAM BALL: I'm not going to say that out of my mouth,  
1029 but I don't know. I don't -- I really don't know what they do,  
1030 um, outside these walls, I don't know.

1031 SPECIAL AGENT STEVEN LARSON: Have you seen them show up  
1032 for work here?

1033 MR. ADAM BALL: No.

1034 SPECIAL AGENT STEVEN LARSON: You've never seen them at --

1035 at this office showing up for work, any of the spouses?

1036 MR. ADAM BALL: [NON-VERBAL RESPONSE].

1037 SPECIAL AGENT STEVEN LARSON: Okay.

1038 SPECIAL AGENT DOUGLAS SMITH: [inaudible 59:08].

1039 SPECIAL AGENT STEVEN LARSON: Yeah. Go -- go -- go ahead.

1040 Go ahead.

1041 SPECIAL AGENT DOUGLAS SMITH: Um, so I've -- I've got it in  
1042 here. Uh, Stephen Grzesiak█, is that how you say it?

1043 MR. ADAM BALL: Yeah.

1044 SPECIAL AGENT DOUGLAS SMITH: Um, what -- what is -- what  
1045 does he have to do with anything?

1046 MR. ADAM BALL: He's Foulds.

1047 SPECIAL AGENT DOUGLAS SMITH: He's Foulds. Okay, uh, so  
1048 okay. I thought I would have more questions. I think that's  
1049 it.

1050 SPECIAL AGENT STEVEN LARSON: So he's -- do -- do you know  
1051 is Stephen Grzesiak█ the -- the only accountant doing business  
1052 there or is -- is there a group? It's like a -- like a  
1053 managing. Like I know, uh, accountants are like lawyers. You  
1054 know, they're, uh, they've got partners and they've got managers  
1055 and got whatever. Um, is he a manager or a partner or --

1056           MR. ADAM BALL: I think he's basically the main owner down  
1057 there [inaudible 59:59]. I think it's [inaudible 1:00:04] Steve  
1058 -- Steve is like the senior --

1059           SPECIAL AGENT STEVEN LARSON: -- Senior partner? --

1060           MR. ADAM BALL: -- Senior partner, you know, [inaudible  
1061 1:00:11] owner or however that works.

1062           SPECIAL AGENT STEVEN LARSON: Okay. But you said Kimberly  
1063 Dilts --

1064           MR. ADAM BALL: -- Dilts. I think it's D-I-L-T-S.

1065           SPECIAL AGENT STEVEN LARSON: D-I-L-T-S. She would be the  
1066 -- and I don't want to put words in your mouth, but I'm just  
1067 trying to understand. She would be the one that you'd probably  
1068 see on a more of a day-to-day basis if you -- if there's any  
1069 accounting issues or, you know, say hey, I want to look at the  
1070 books of, you know, for this project or whatever, it would be  
1071 Kimberly doing the -- basic -- basically the leg work and then  
1072 Steve comes in, probably you meet with him how many --

1073           MR. ADAM BALL: -- Once a year. --

1074           SPECIAL AGENT STEVEN LARSON: -- once a year to kind of  
1075 play ball and everything and he gives you the blessing and you  
1076 know boom. All right.

1077           SPECIAL AGENT DOUGLAS SMITH: And -- and they're -- they're  
1078 both CPA's then?

1079 MR. ADAM BALL: Yes.

1080 SPECIAL AGENT DOUGLAS SMITH: Okay.

1081 SPECIAL AGENT STEVEN LARSON: All right. I -- I think, you  
1082 know, you know Adam I -- I think you've been -- I -- I just want  
1083 to -- I want to thank you for your cooperation. Um, I mean  
1084 we're -- we are almost there. We're almost done. It's just  
1085 that -- that -- the one sticking point as to the purpose of  
1086 Southfield IT Groups I guess existence.

1087 MR. ADAM BALL: I don't know, to make a profit.

1088 SPECIAL AGENT STEVEN LARSON: To make a profit.

1089 MR. ADAM BALL: I mean [inaudible 1:02:17].

1090 SPECIAL AGENT STEVEN LARSON: And your only customer is the  
1091 company you work for?

1092 MR. ADAM BALL: Correct.

1093 SPECIAL AGENT STEVEN LARSON: Okay. Um, who -- as long as  
1094 we're still on Southfield IT Group, who set up the, uh, well,  
1095 let me ask you this. Well I'm going to go down this road since  
1096 I've opened the door, um, who set up the website?

1097 MR. ADAM BALL: I'm pretty sure Andy did.

1098 SPECIAL AGENT STEVEN LARSON: Andy Semenchuk?

1099 MR. ADAM BALL: Yeah.

1100           SPECIAL AGENT STEVEN LARSON: Okay. Did Andy -- did -- did  
1101        Andy have any -- any ownership interest in National Elevation or  
1102        Southfield IT Group?

1103           MR. ADAM BALL: No.

1104           SPECIAL AGENT STEVEN LARSON: So why would he set up the  
1105        website?

1106           MR. ADAM BALL: He -- for a long time -- he's the IT guru  
1107        around here as well, so I had him to help set everything up. I  
1108        can't remember if he did it or a Network Service Group did it.

1109           SPECIAL AGENT STEVEN LARSON: Network Service Group? What  
1110        -- what -- what does -- what is Network Service Group?

1111           MR. ADAM BALL: Uh, I think [inaudible 1:03:40] Saginaw,  
                        they  
1112        build up the vast majority of SSI's internet backbone. I think  
1113        they host their, um, server, uh, not our server, but our -- what  
1114        do you call it your domain, or I don't know exactly how it works  
1115        but.

1116           SPECIAL AGENT STEVEN LARSON: Okay, so you -- you're paying  
1117        another IT company to handle your internet?

1118           MR. ADAM BALL: Somewhere [inaudible 1:04:20]. [inaudible  
1119        1:04:16] advertising is real low, but this back before my time,  
1120        but obviously nobody knew the [inaudible 1:04:26] computers --

1121           SPECIAL AGENT STEVEN LARSON: -- Mm-hm. --

1122 MR. ADAM BALL: -- and Network Services Group started the  
1123 WWW-IS or SSI-MI.com domain. So base -- basically they kind of  
1124 have us held hostage unless we want to switch all of our emails  
1125 and websites and everything else that [inaudible 1:04:50], so  
1126 we're basically stuck with them, um, be -- because of that. I  
1127 mean --

1128 SPECIAL AGENT DOUGLAS SMITH: Do they -- do they work at  
1129 all with your, uh, with Southfield as far as making sure the  
1130 sites are connected or -- or would they have more -- if -- if we  
1131 had more questions about with like, like you said I think you said  
**terabytes, petabyte,**  
1132 whatever the storage is, do -- do they deal with that? Do they  
1133 assist with that?

1134 MR. ADAM BALL: I think so. I don't know. I'm pretty sure  
1135 they have some involvement [inaudible 1:05:22].

1136 SPECIAL AGENT STEVEN LARSON: Do they do anything with  
1137 storage? Data storage or is that --

1138 MR. ADAM BALL: I don't think so.

1139 SPECIAL AGENT STEVEN LARSON: Okay.

1140 MR. ADAM BALL: I don't think they -- they might -- they  
1141 might have like an FTP server that we somehow use for small  
amounts of  
1142 storage, usually temporary small amounts of storage but I don't  
1143 think so.

1144           SPECIAL AGENT STEVEN LARSON: But -- but Southfield IT  
1145       Group, your company handles the -- the vast quantities of data  
1146       storage that you require, correct?

1147           MR. ADAM BALL: I think so.

1148           SPECIAL AGENT STEVEN LARSON: Okay.

1149           SPECIAL AGENT DOUGLAS SMITH: So -- so Network  
1150       service group, um, I think you said maybe set up -- set the  
1151       emails or -- or -- or coordinate maybe not host but coordinate  
1152       the domain and the connections between sites. Do you guys like  
1153       -- with the laptop there, you, uh, what's the word I'm looking  
1154       for? I can't think of it now. VPS, do you VPN or something like  
1155       that to different sites or connect otherwise?

1156           MR. ADAM BALL: We've got a VPN system here that we  
1157       [inaudible 1:06:23] --

1158           SPECIAL AGENT DOUGLAS SMITH: -- Okay. --

1159           MR. ADAM BALL: -- or whatever's up.

1160           SPECIAL AGENT DOUGLAS SMITH: Did -- did NSG like -- are  
1161       they the ones who set it up or --

1162           MR. ADAM BALL: -- No. --

1163           SPECIAL AGENT DOUGLAS SMITH: -- it --

1164           MR. ADAM BALL: -- well I mean maybe originally, but we've  
1165       got a couple of guys internal here that do the setting up  
1166       Dropbox and --

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1167           SPECIAL AGENT DOUGLAS SMITH: -- Okay. --

1168           MR. ADAM BALL: -- getting - loading the software. Getting  
1169 them ready and that would include the VPN.

1170           SPECIAL AGENT DOUGLAS SMITH: But I -- I -- it would be  
1171 wrong to say the Network, uh, Services Group, um, would set that  
1172 up. It's, like you said, the SSI mostly set that up?

1173           MR. ADAM BALL: [inaudible 1:07:05].

1174           SPECIAL AGENT DOUGLAS SMITH: Okay.

1175           SPECIAL AGENT STEVEN LARSON: Just a second [inaudible  
1176 1:07:40]. Who's Cary Hutchinson]?

1177           MR. ADAM BALL: The, um, he's a new hire that now does  
1178 part-time IT stuff for us. He's a mechanical engineer who got  
1179 hire I want to say maybe a year ago. But he does help now with  
1180 the IT side of things and he kind of took over for Andy's IT  
1181 knowledge when Andy went a different way.

1182           SPECIAL AGENT STEVEN LARSON: Okay. Well, it -- it looks  
1183 like Cary sent an email, um, and it sets forth, um, Southfield  
1184 IT Group's storage capacity.

1185           MR. ADAM BALL: Okay.

1186           SPECIAL AGENT STEVEN LARSON: Okay. The servers number one  
1187 through seven, okay, have approximately 75 terabytes of storage.  
1188 Does that sound right? Terabyte is quite a bit.

1189 Special Agent Doug Smith: Yeah, that's a lot.

1190 MR. ADAM BALL: I don't - I don't know the exact number

1191 SPECIAL AGENT STEVEN LARSON: Okay. So this was dated, uh,  
1192 May 30 of this year.

1193 MR. ADAM BALL: Okay.

1194 SPECIAL AGENT STEVEN LARSON: Okay. Um, but SSI stated to  
1195 MDOT that they had received an \$811,000 invoice from Southfield  
1196 IT Group for 306 terabytes of storage. And according to  
1197 Hutchinson email, Southfield IT, your company, could not have  
1198 provided that much storage. It just doesn't exist. Okay. Can  
1199 you explain the discrepancy?

1200 MR. ADAM BALL: I don't think so.

1201 SPECIAL AGENT STEVEN LARSON: You can't? Okay. And  
1202 Southfield IT Group was established the shell company to inflate  
1203 your overhead rates for SSI, correct?

1204 MR. ADAM BALL: I can't answer that.

1205 SPECIAL AGENT STEVEN LARSON: It -- it was -- it was one of  
1206 three companies that were formed to essentially do that. Your  
1207 shell companies related to the ownerships. The owners of SSI to  
1208 inflate your overhead rate.

1209 MR. ADAM BALL: I can't answer that, I don't know.

1210 SPECIAL AGENT STEVEN LARSON: You can or you won't?

1211 MR. ADAM BALL: Just can't]. The companies are formed for  
1212 a lot of different reasons whether it's liability protection.

1213 SPECIAL AGENT STEVEN LARSON: Well it -- at -- at a minimum  
1214 it looks like you're -- you're grossly overbilling.

1215 MR. ADAM BALL: I don't know what the [inaudible 1:11:29].

1216 SPECIAL AGENT STEVEN LARSON: All right.

1217 SPECIAL AGENT DOUGLAS SMITH: Do you, uh, for Southfield,  
1218 since you're -- since you're an owner and you're hands off with  
1219 the IT, is there anyone else that does though? Like they're  
1220 send out a bill based off of somebody else's like, you know,  
1221 Hutchinson's calculations or something in store or --

1222 MR. ADAM BALL: There's nobody else Courtney  
1223 Southfield IT [inaudible 1:12:13].

1224 SPECIAL AGENT STEVEN LARSON: Okay. Um, my old eyes are,  
1225 uh, having a hard time picking this up. Doug can you -- let me  
1226 show it to you here. [inaudible 1:12:50] company?

1227 SPECIAL AGENT DOUGLAS SMITH: Yeah.

1228 SPECIAL AGENT STEVEN LARSON: What are the -- the names?

1229 SPECIAL AGENT DOUGLAS SMITH: Oh, um, 2SI and 3SI.

1230 SPECIAL AGENT STEVEN LARSON: What, uh, what can you tell  
1231 us about those?

1232 MR. ADAM BALL: One of them involves the trucks. The  
1233 [inaudible 1:13:18] buildings and stuff.

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1234 SPECIAL AGENT DOUGLAS SMITH: Uh, which ones does what?

1235 MR. ADAM BALL: 2SI owns the trucks and 3SI owns the  
1236 building.

1237 SPECIAL AGENT DOUGLAS SMITH: Who runs or who owns 2SI?

1238 MR. ADAM BALL: I think Brian and Tony.

1239 SPECIAL AGENT DOUGLAS SMITH: Uh, what about 3SI?

1240 MR. ADAM BALL: [inaudible 1:13:46] also.

1241 SPECIAL AGENT DOUGLAS SMITH: So, uh, Brian and Tony both  
1242 own both?

1243 MR. ADAM BALL: Yeah.

1244 SPECIAL AGENT DOUGLAS SMITH: Okay. Uh, you -- you  
1245 mentioned when you're talking about Southfield that like how you  
1246 and your wife are 80/20, 85/15, something like that. Is 50/50  
1247 on both forms or they're like 60/40 and then they clip it on the  
1248 other one or?

1249 MR. ADAM BALL: I don't know how they have it set up. I'm  
1250 assuming 50/50 [inaudible 1:14:14] corporation, but I don't know  
1251 for sure.

1252 SPECIAL AGENT DOUGLAS SMITH: Okay. I -- I just assumed  
1253 they might be, you know, imbalanced in some way and then, you  
1254 know, fixed on the other side or something just in case there's  
1255 that [inaudible 1:14:32] to know how many voting and make  
1256 decisions and all of that. Um, what about -- so Brian and Tony

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1257 for those. That -- maybe with the other person I had  
1258 written down can kind of, um, part of the group that helps make  
1259 the decisions, so Andy -- Andy's not -- he stepped away from SSI  
1260 and he's not -- he's not part of 2SI or 3SI or Southfield?

1261 MR. ADAM BALL: Correct.

1262 SPECIAL AGENT STEVEN LARSON: What was the reason for  
1263 Andy's departure?

1264 MR. ADAM BALL: [inaudible 1:15:17] retirement and, uh, he  
1265 had enough. It's a rat race. [inaudible 1:15:33].

1266 SPECIAL AGENT STEVEN LARSON: The, uh, SSI office in  
1267 Saginaw, they're on Fortune Boulevard? What, uh, what's there?

1268 MR. ADAM BALL: That's basically just a -- I -- I go there  
1269 about two days a week. One day a week. Wintertime if the road  
1270 are bad.

1271 SPECIAL AGENT STEVEN LARSON: What -- what do you keep  
1272 there?

1273 MR. ADAM BALL: Kind of a mirror image of what you're  
1274 seeing here.

1275 SPECIAL AGENT STEVEN LARSON: Okay.

1276 MR. ADAM BALL: I take my computer back and forth.

1277 SPECIAL AGENT STEVEN LARSON: Just -- just at -- any --  
1278 anybody else in the office? It's just -- so it just -- just  
1279 you?

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1280 MR. ADAM BALL: Just me.

1281 SPECIAL AGENT STEVEN LARSON: Okay. Do you -- do you guys  
1282 own that building?

1283 MR. ADAM BALL: No.

1284 SPECIAL AGENT STEVEN LARSON: Rent it?

1285 MR. ADAM BALL: Eurich

1286 SPECIAL AGENT STEVEN LARSON: Okay, Eurich that -- Eurich  
1287 Construction is that?

1288 MR. ADAM BALL: Eurich, uh, Home Improvement.

1289 SPECIAL AGENT STEVEN LARSON: Is that -- that's the  
1290 business that is attached to you right?

1291 MR. ADAM BALL: Correct.

1292 SPECIAL AGENT STEVEN LARSON: Okay. And you -- you lease  
1293 it you said?

1294 MR. ADAM BALL: Yeah.

1295 SPECIAL AGENT STEVEN LARSON: What's the lease rate?

1296 MR. ADAM BALL: I think \$1,000 a month.

1297 SPECIAL AGENT STEVEN LARSON: Okay. No -- no computer  
1298 hardware there? No -- no servers?

1299 MR. ADAM BALL: No servers yet. Two printers and Wi-Fi and  
1300 I think like a switch or something and that switches the  
1301 [inaudible 1:17:00].

1302 SPECIAL AGENT STEVEN LARSON: Okay. All right and the  
1303 computer you say is your laptop and that travels with you? So  
1304 there's not a computer there?

1305 MR. ADAM BALL: Correct.

1306 SPECIAL AGENT STEVEN LARSON: Okay.

1307 MR. ADAM BALL: Well there's two of my old laptops that are  
1308 there.

1309 SPECIAL AGENT STEVEN LARSON: Okay. All right. Um, and  
1310 then, uh, there's also, uh, office in St. John?

1311 MR. ADAM BALL: Yeah.

1312 SPECIAL AGENT STEVEN LARSON: What -- what's in that  
1313 office?

1314 MR. ADAM BALL: That's Tony. Basically Tony's managerial  
1315 office and there's probably I think at this time he's probably  
1316 got 30 guys that work for him down there.

1317 SPECIAL AGENT STEVEN LARSON: Oh they work 30 out of -- out  
1318 of the St. John's office?

1319 MR. ADAM BALL: That's [inaudible 1:17:43] staffed and  
1320 [inaudible 1:17:49] garage and it's full blown there.

1321 SPECIAL AGENT STEVEN LARSON: Okay.

1322 SPECIAL AGENT DOUGLAS SMITH: Like here? Similar?  
1323 Smaller?

1324 MR. ADAM BALL: A lot smaller than I'd say probably half  
1325 this or even -- even less than this. [inaudible 1:18:07].

1326 SPECIAL AGENT DOUGLAS SMITH: But did -- they've got  
1327 enough equipment and people.

1328 MR. ADAM BALL: Oh yeah.

1329 SPECIAL AGENT DOUGLAS SMITH: Okay.

1330 MR. ADAM BALL: I'm pretty sure they've got their own  
1331 server there.

1332 SPECIAL AGENT STEVEN LARSON: Okay.

1333 MR. ADAM BALL: [inaudible 1:18:31]

1334 SPECIAL AGENT DOUGLAS SMITH: Okay.

1335 SPECIAL AGENT STEVEN LARSON: There's a Novi office?

1336 MR. ADAM BALL: Yeah.

1337 SPECIAL AGENT STEVEN LARSON: Oh, what -- what's that  
1338 address?

1339 MR. ADAM BALL: I think it's 43000 Nine Mile Road  
1340 [inaudible 1:18:45].

1341 SPECIAL AGENT DOUGLAS SMITH: Is that, uh, is that more  
1342 like your office or is that more like the -- the St. John's?

1343 Adam Ball: It'll be similar to like Saginaw  
1344 seldomly we store all of our concrete, cylinder

1345 molds there. Um, Jason Fisher headquartered down there but  
MDOT has him working in your office  
1346 directly, so he -- he doesn't report [inaudible 1:19:20].

1347 SPECIAL AGENT DOUGLAS SMITH: So Jason Fisher?

1348 SPECIAL AGENT STEVEN LARSON: Jason Fisher, yeah.

1349 SPECIAL AGENT DOUGLAS SMITH: F-I-S-C-H-E-R?

1350 MR. ADAM BALL: F-I-S-H-E-R.

1351 SPECIAL AGENT DOUGLAS SMITH: F-I-S-H-E-R. Where is he  
1352 where does he sit then for, when he works with MDOT?

1353 MR. ADAM BALL: I -- I don't know what office he's actually  
1354 working out of. He's on that big, uh, like 75 mega project near  
1355 Novi and he kind of -- I don't know if it's in a field office or  
1356 one of their normal TSC offices right now.

1357 SPECIAL AGENT DOUGLAS SMITH: Okay.

1358 MR. ADAM BALL: But he's still involved with them that they  
1359 said that he come park yourself in this cubicle or whatever, so  
1360 he's -- he's not at the Novi office right now.

1361 SPECIAL AGENT DOUGLAS SMITH: Okay.

1362 SPECIAL AGENT STEVEN LARSON: Okay.

1363 SPECIAL AGENT DOUGLAS SMITH: But originally that was --  
1364 that was for him to work out of and now he's on that project, so  
1365 he's -- he's, uh, over there?

1366 MR. ADAM BALL: Correct.

1367 SPECIAL AGENT DOUGLAS SMITH: And he's -- just to be clear  
1368 he's just -- he's an employee of SSI?

1369 MR. ADAM BALL: Correct.

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1370           SPECIAL AGENT DOUGLAS SMITH: Okay.

1371           SPECIAL AGENT STEVEN LARSON: All right, so we're -- we're  
1372 still kind of hung up on that -- on that one question and just  
1373 so I'm clear, you're not going to answer anything more about --  
1374 about why Southfield IT Group was -- was formed?

1375           MR. ADAM BALL: I can't. No.

1376           SPECIAL AGENT STEVEN LARSON: Okay. I thought I had one  
1377 more question for you regarding -- regarding your wife. Oh,  
1378 just kind of a -- a -- a -- a general catchall question. Um, is  
1379 she aware that she's receiving money from SSI for doing nothing?  
1380 I mean I -- I put it pretty bluntly, but I mean --

1381           MR. ADAM BALL: -- [inaudible 1:21:25] --

1382           SPECIAL AGENT STEVEN LARSON: -- yes, she is aware that  
1383 she's -- she's getting -- getting a paycheck, uh, so to speak  
1384 from SSI to include bonuses, etc. for -- for doing no work?

1385           MR. ADAM BALL: She's aware she's getting a check.

1386           SPECIAL AGENT STEVEN LARSON: Has she ever -- has she ever  
1387 questioned Adam why -- why -- why -- why is SSI  
1388 paying me, um, paying me for doing -- for not doing anything?

1389           MR. ADAM BALL: No.

1390           SPECIAL AGENT STEVEN LARSON: She's never questioned?

1391           MR. ADAM BALL: I handle all the money in our family and --

1392           SPECIAL AGENT DOUGLAS SMITH: And that's why we want to ask  
1393 because we didn't know if you had these been signed before  
1394 ...before I can cash them? If she actually was looking to  
read...  
1395 what was being, you know, signed for at that point?

1396           SPECIAL AGENT STEVEN LARSON: I mean call me crazy but so  
1397 many slides of \$83000 check they have me sign, I'm going to --

1398           SPECIAL AGENT DOUGLAS SMITH: Mm-hm. --

1399           SPECIAL AGENT STEVEN LARSON: -- I'm going to remember, you  
1400 know, signing it and I might have a question -- and my wife's  
1401 name is Beth, hey, Beth, why am I endorsing this \$83000 check.  
1402 Nothing like that occurred? No conversation?

1403           MR. ADAM BALL: [NO VERBAL RESPONSE].

1404           SPECIAL AGENT STEVEN LARSON: You're shaking your head no.  
1405 Does that mean, no, she didn't ask you? Or no, you're not going  
1406 to answer?

1407           MR. ADAM BALL: She -- she trust me to handle the finances  
1408 and --

1409           SPECIAL AGENT STEVEN LARSON: Alrighty. Okay, Doug, have I  
1410 missed anything and we neglected to go over?

1411           SPECIAL AGENT DOUGLAS SMITH: No. I don't -- no, I don't  
1412 think so. I was looking through there.

1413           SPECIAL AGENT STEVEN LARSON: All right, well I'm going to  
1414 let you look through there and I'm going to just step out for a

1415 just a second Andy, Adam, I apologize. Um, I'll be back, but  
1416 before I go, is there anything that you want to add?

1417 MR. ADAM BALL: I've tried to be as upfront as I can.

1418 SPECIAL AGENT STEVEN LARSON: You -- you -- you had  
1419 -- I -- I -- I -- you have been. I mean I don't have any -- any  
1420 -- you -- you haven't, uh, you've been cooperative, um, to a  
1421 point. I mean we both know -- I -- I think you're at the -- the  
1422 edge of, you know, explaining why Southfield IT Group and the  
1423 other -- the, uh, SSI, um, ones and twos were formed. Um, from  
1424 what -- from what we can tell, um, not from what we can tell,  
1425 what we know is -- is they're shell companies. I mean you're  
1426 not bulls\*\*ting anybody here. Um, but, uh, I -- I -- I think  
1427 you're almost there and I wish you would. I wish you would just  
1428 completely explain the situation. I think it'll -- it'll go --  
1429 it will in the end it will work out better for you if you were  
1430 to do that. Um --

1431 MR. ADAM BALL: What do you mean by that?

1432 SPECIAL AGENT STEVEN LARSON: Well, I mean we aren't in the  
1433 habit, when I say we, the FBI, uh, the, you know, Federal  
1434 Department of Transportation, um, who -- who's here as well.  
1435 Uh, we just don't do this on a whim. Um, the case agent, Brian  
1436 Butler has his ducks in a row. Um, and we know a lot of the --  
1437 the answers to -- to the questions we asked, um, before --

1438 before we asked them. I mean even Doug and I who aren't, you  
1439 know, as dialed in on the -- on the nuts and bolts of the case  
1440 as -- as perhaps, you know, uh, Brian is and his co --  
1441 coagents are with the Department of Transportation, but, um, and  
1442 it has -- it's going to serve you well that -- that you were  
1443 upfront with us. You shot straight with us. I'm going to tell  
1444 Brian that. But, you know, ultimately we're not just going to,  
1445 you know, we're not going to go away today. We're not arresting  
1446 you. You're not getting arrested. Nobody's getting arrested,  
1447 but this isn't just going to be like, "oh, well the FBI was here  
1448 and -- and they left." I mean you're -- you're a smarter guy  
1449 than what you're letting on Adam. Um, and -- and this thing is  
1450 going to continue to move forward and we're going to get the  
1451 answers to -- to those questions eventually. Um, --

1452           SPECIAL AGENT DOUGLAS SMITH: What -- what -- what we keep  
1453 saying though as far as we appreciate your honesty and working  
1454 with us is that we don't always get the response that we've  
1455 gotten from you, because people will try to lie to us and -- and  
1456 that's starts down a path of -- of additional problems because  
1457 it -- it's -- it's at the point that there's -- at the point  
1458 that there's, uh, dishonesty, I mean there's a -- there's a  
1459 Statute 18USC1001, you can't lie to federal agents and so like  
1460 just starting down that path all of a sudden starts adding

1461 charge or -- or lying about other things, uh, throughout can add  
1462 additional, um, you know, attempts to, you know, to create a  
1463 fraud and that kind of thing. So -- so that's why we're saying,  
1464 you know, like -- like Steve's saying here that we -- we know a  
1465 lot of the answers and that's how we know that you're being  
1466 honest and -- and forthright with us and, uh, we have in our 30  
1467 years of combined experience seen that play out better than  
1468 trying to go the other direction of lying and, uh, uh, and --  
1469 and -- and making things worst by doing it that way.

1470         SPECIAL AGENT STEVEN LARSON: Right. And to answer your  
1471 question, I -- I was taking a long time to get there, uh, Adam,  
1472 I -- I apologize. Uh, what's happening here is they -- and I  
1473 hope answer it, uh, there's a search of -- of -- of the business  
1474 occurring as -- as we're speaking. We've -- we've got a search  
1475 warrant for your computer. All the computers.

1476         SPECIAL AGENT DOUGLAS SMITH: Phones.

1477         SPECIAL AGENT STEVEN LARSON: Your phone is going with us  
1478 today okay. So when I say ultimately we're going to get the  
1479 answer as to why Southfield IT Group was created. Um, you know,  
1480 we're going to be looking at emails between all of you and, um,  
1481 business records which we already, you know, we have a -- a good  
1482 number of those already. Um, we know what has occurred. What -  
1483 - what the scheme was. And that the five of you conspired to

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1484 obtain a lot more money than SSI was due. So I guess I'll leave  
1485 at that. I'm going to step out. You can think about that.  
1486 Mull that over. And when I come back, hopefully, we can -- we  
1487 can continue the conversation all right?

1488 MR. ADAM BALL: As far as the phone, if you take it, how --  
1489 how do I reach out to talk business and move forward?

1490 SPECIAL AGENT STEVEN LARSON: I would say get another  
1491 phone.

1492 MR. ADAM BALL: Well -- well I mean that phone -- phone  
1493 number and stuff. I mean can I keep my --

1494 SPECIAL AGENT STEVEN LARSON: -- What we'll --

1495 MR. ADAM BALL: -- number?

1496 SPECIAL AGENT DOUGLAS SMITH: Oh.

1497 SPECIAL AGENT STEVEN LARSON: Oh.

1498 SPECIAL AGENT DOUGLAS SMITH: Yeah.

1499 SPECIAL AGENT STEVEN LARSON: Yeah. Yeah. You probably  
1500 can. Yeah.

1501 SPECIAL AGENT DOUGLAS SMITH: It would be just, you know,  
1502 it would just be, uh, like if you were getting a new phone  
1503 probably transferring service.

1504 MR. ADAM BALL: Yeah.

1505 SPECIAL AGENT DOUGLAS SMITH: Um, because what -- what --  
1506 what our --

1507           SPECIAL AGENT STEVEN LARSON: I'll let you answer that  
1508 question.

1509           SPECIAL AGENT DOUGLAS SMITH: Yeah. [inaudible 1:29:44]  
1510 and -- and just -- just [inaudible 1:29:47].

1511           SPECIAL AGENT STEVEN LARSON: [WALKING OUTSIDE]

1512           BRIAN BUTLER: Yeah, Adam Ball are you talking to Adam  
1513 Ball?

1514           SPECIAL AGENT STEVEN LARSON: Yeah.

1515           BRIAN BUTLER: Oh okay. He's with you?

1516           SPECIAL AGENT STEVEN LARSON: He's with us.

1517           BRIAN BUTLER: Okay. Is he cooperating?

1518           SPECIAL AGENT STEVEN LARSON: Yeah, I'll let -- yeah, I'll  
1519 let you know.

1520           BRIAN BUTLER: I did not get it.

1521           SPECIAL AGENT STEVEN LARSON: Nope. When you were talking,  
1522 I grabbed your shoulder and said I've got Adam Ball in his  
1523 office.

1524           BRIAN BUTLER: I do remember that. Yes.

1525           SPECIAL AGENT STEVEN LARSON: Okay. That's fair. Anyway -  
1526 -

1527           BRIAN BUTLER: Sorry, I thought there was something more  
1528 recent than that.

1529

SPECIAL AGENT STEVEN LARSON: And -- and -- and Adam is --

1530 is talking and he has -- wasn't very smooth interview on my  
1531 part, however, um. Hey Adam, this is, uh, Brian Butler. [Door  
closes]

1532 BRIAN BUTLER: Pleasure to meet you.

1533 MR. ADAM BALL: Pleasure to meet you..

1534 BRIAN BUTLER: Um, so I wanted to step in and to  
introduce

1535 myself. I am the case agent for this matter. I'm the one, um,  
these guys

1536 are here and they're helping me, and I appreciate it. Um, but

1537 I'm the one who has gone through everything and knows the ins

1538 and outs of what's been going on here. Um, and I've -- I -- I

1539 had a very good sense coming in today of what was going on and

1540 I've -- I have a better sense of what's going on up here now

1541 that I'm here. And that sense, an important part of it is  
that

1542 the people in -- in this building who operate around here are

1543 good people. Right. But they're good people who did something

1544 wrong, okay. They -- they are hardworking people. They're --

1545 they're bust their ass kind of hardworking people is who they

1546 are. Um, they are family men and -- and that to me is the

1547 big one. Okay. That's important today because -- because

1548 good people makes mistakes. Okay. And -- and good people what

1549 they do when they make mistakes is that they own up to them and  
then they do everything in

1550 their power to make things right and to take care of their

1551 families. Because at the end of the day today, that's your job

1552 right now, is how do you get back to your family as quick as  
1553 you can and take care of them. That's your job here in this  
1554 world, right.

1555 MR. ADAM BALL: Yeah.

1556 BRIAN BUTLER: : Like surveying-- it's -- surveying is one  
1557 thing, investigating until it fits something, but at the end of  
1558 the day we go home to our families.

1559 MR. ADAM BALL: Right.

1560 BRIAN BUTLER: And that's what I want you to do. To go  
1561 home to your family, but I see the way to that path is through  
the

1562 truth. And -- and I've told people I don't like this case. And  
1563 this case is -- it's one of my -- I don't like it because you  
1564 guys are -- you're good people. You're good people who made a  
1565 mistake. And so I think how do we -- how do you resolve that?  
1566 To me what I see is -- what people can understand what -- what a  
1567 juror in Saginaw or someone from Standish, they get a story  
1568 that they can understand. I tell you what they won't  
1569 understand. Or what they won't buy. They won't buy a big, long  
1570 elaborate story of like oh we created this shell company and  
1571 then we -- we made these invoices, which were all bogus and that  
1572 we were doing all of this just to redistribute profits amongst  
the  
1573 owners of the company. And like it doesn't make sense. You

1574 don't go through that much effort to just redistribute profits.

1575 Correct?

1576 MR. ADAM BALL: Correct.

1577 BRIAN BUTLER: Correct. So the reason you do all of that

1578 -- because if you're going to redistribute profits, right, five

1579 owners, right? Divide up 100% by that, everyone gets their

1580 equal share, end of the year, boom, divvy profits out. Okay.

1581 But you don't do it that way. That's the easy way. Well, not

1582 easy, that's straightforward. That's how businesses operate

1583 when you're straightforward ownership. But when businesses want

1584 to squeeze out more money from the government, they start

1585 creating shell companies. Because the shell companies can

1586 invoice, and invoices get passed back to Michigan. Is that all

1587 correct? Is that all correct? It's hard. So this is that

1588 moment, right? Of ownership, right?

1589 MR. ADAM BALL: It start with the moment.

1590 BRIAN BUTLER: It's the moment. And you have to chose

1591 who do you want to be perceived as. As the man who -- who when

1592 confronted with what he did, said I made a mistake. I love my

1593 family and I'll admit to what I did, and I'm going to go

1594 forward. That's all we're -- I mean that's what we're asking

1595 you to do okay.

1596 MR. ADAM BALL: Mm-hm.

1597           BRIAN BUTLER:     Unfortunately the situation you're in, you  
1598   don't, you don't have great choices. I'll be honest with you.  
1599   You -- you can say we weren't doing that. It was, uh, you  
1600   know, but my job is facts. I don't look at my job as trying to  
1601   make cases or get people. I want as best I can to gather  
1602   facts and put the facts together. I want to see what happened  
1603   here. And that's what I've been working very hard at, and I  
1604   will continue to work very hard at. So I'm going -- we will not  
1605   I'm going. There will -- the facts will illustrate the picture.  
1606   The picture is that you created the shell company.  
1607   You've got to [inaudible 1:43:23]. It was a company in Wyoming  
1608   It was a shell company. Your name is all over it, Adam, do you  
1609   know that? Like you're -- you -- you formed National Elevations  
1610   right?

1611           MR. ADAM BALL: Yeah.

1612           BRIAN BUTLER:     And you were well aware that Southfield IT  
1613   Group was a trade name used?

1614           MR. ADAM BALL: Yeah.

1615           BRIAN BUTLER:     And Adam [sic] Grzesiak, the CPA did that?

1616           MR. ADAM BALL: Steve.

1617           BRIAN BUTLER:     I'm sorry. Uh, Steve Grzesiak. Did I  
1618   pronounce that correct?

1619           MR. ADAM BALL: Yeah.

1620           BRIAN BUTLER:     And he did that? And that you -- there  
1621    was one question I had. Bid you guys -- on your indirect cost  
1622    rate you it was 1 -- 1.4 million dollars roughly forgiven year  
1623    for IT managed services, correct?

1624           MR. ADAM BALL: I don't know. I don't even know.

1625           BRIAN BUTLER:     Okay.

1626           MR. ADAM BALL: Somewhere in there. I know we talked  
1627    about what the profits were last year. I don't even get into  
1628    the [inaudible 1:44:13] --

1629           UNKNONW MALE: So is that how it -- is that how it was  
1630    done? So then they -- they disallowed a number a -- Some of  
              that  
1631    money and then they only passed through the state -- well, only  
1632    is -- strike only. They passed through roughly \$600,000. And  
1633    don't quote me on the numbers. I'd have documents in front  
1634    of me but they passed through several hundred thousand  
1635    dollars. Was there math done elsewhere to say, hey, how can we  
1636    split up the profit on this?

1637           MR. ADAM BALL: NO VERBAL RESPONSE.

1638           BRIAN BUTLER: Who decides [inaudible 1:44:46]?

1639           SPECIAL AGENT STEVEN LARSON: He --

1640           BRIAN BUTLER: Yeah.

1641           SPECIAL AGENT STEVEN LARSON: You started to say you don't  
1642    get into the overhead. Who does the overhead?

1643           MR. ADAM BALL: It was always either Andy or, you know, I  
1644 think Jeff was doing it now, but --

1645           BRIAN BUTLER: But you knew that overhead rate -- you  
1646 know how --

1647           MR. ADAM BALL: -- I know --

1648           BRIAN BUTLER: -- it works.

1649           MR. ADAM BALL: I know. I know how it works basically.

1650 Yes.

1651           BRIAN BUTLER: And you knew that expenses to a shell  
1652 company --

1653           MR. ADAM BALL: Yeah.

1654           BRIAN BUTLER: -- that didn't actually occur would be  
1655 applied to that overhead rate.

1656           MR. ADAM BALL: Yeah.

1657           BRIAN BUTLER: And you knew when that overhead rate got  
1658 fatter; more money would be disbursed from the State of  
1659 Michigan to SSI.

1660           MR. ADAM BALL: I understand how that process work yes.

1661           BRIAN BUTLER: You understand -- you also understand that  
1662 that's what happened correct?

1663           MR. ADAM BALL: Yes.

1664           BRIAN BUTLER: Okay.

1665 MR. ADAM BALL: I would say that companies are established  
1666 for a lot more reasons than just being shell companies though.  
1667 I mean there's liability reasons. There's -- there's a lot of  
1668 other reasons to have subsidiary counter-companies, you know,  
whether  
1669 it's insurance or whatever.

1670 BRIAN BUTLER: Yes. But we -- why -- but you billed for  
1671 expenses that didn't occur.

1672 SPECIAL AGENT STEVEN LARSON: Any of the reasons you're  
1673 throwing out for -- like other reasons to create  
1674 subsidiaries/shell companies, I don't think there's ever a  
1675 legitimate reason to create a shell company, but none of those  
1676 fit the definition of Southfield IT --

1677 MR. ADAM BALL: Not Southfield IT Group.

1678 SPECIAL AGENT STEVEN LARSON: -- correct. Say that. Not  
1679 Southfield IT Group?

1680 MR. ADAM BALL: Correct.

1681 SPECIAL AGENT STEVEN LARSON: Correct.

1682 Brian Butler: So that's not why it happened.

1683 SPECIAL AGENT STEVEN LARSON: So that's not why Southfield  
1684 IT Group was created. I -- I think you're just kind of holding  
1685 onto that -- hanging on to that as -- as maybe trying to  
1686 minimize?

1687 MR. ADAM BALL: Yeah. I mean --

1688           SPECIAL AGENT STEVEN LARSON: -- But -- but at -- at the  
1689 end of the day, like Brian said, Brian is tenacious and -- and -  
1690 - and --

1691           MR. ADAM BALL: [inaudible 1:46:53] this --

1692           SPECIAL AGENT STEVEN LARSON: -- he is going to --

1693           BRIAN BUTLER: -- I'm tenacious at figuring out figuring  
out

1694 what happened. Like that's my job and I will figure that out.

1695           SPECIAL AGENT STEVEN LARSON: And -- and -- and --

1696           MR. ADAM BALL: I told these guys that National Elevations  
1697 Certificate was started three or four years ago. It had  
1698 nothing to do with the -- the DOT at all.

1699           SPECIAL AGENT STEVEN LARSON: Mm-hm.

1700           MR. ADAM BALL: I mean that when we started it to capture  
1701 elevation what we thought was going to be a boom market in  
1702 Nationwide elevation certificates being done. We were with  
Coleman

1703 Engineering at the time in the UP --

1704           BRIAN BUTLER: But it didn't pan out, right?

1705           MR. ADAM BALL: No. It wasn't lucrative. But we had -- I  
1706 mean we had the company already set up and --

1707           BRIAN BUTLER: So who's idea was it then to be like well  
1708 we've got this company. It's already set up. Let's go ahead  
1709 and tweak it and make it a DBA?

1710           MR. ADAM BALL: Probably all of ours.

1711           BRIAN BUTLER:     Did you guys have meetings where you talk  
1712       about these things?

1713           MR. ADAM BALL:    Yeah.

1714           BRIAN BUTLER:    That was yes?

1715           MR. ADAM BALL:    Yeah. Yes.

1716           BRIAN BUTLER:    Okay. Um, and you said that we could use  
1717       it, we could create invoices where we could make billings to  
1718       this and that would attribute to the overhead?

1719           MR. ADAM BALL:   I don't know if we ever got that specific  
1720       [inaudible 1:48:18] --

1721           BRIAN BUTLER:    Everyone generally knew that it would help  
1722       get more profits?

1723           MR. ADAM BALL:   But the concept was that the rates  
1724       [inaudible 1:48:29] consultant IT [inaudible] charge [inaudible  
1725       1:48:32] and the State of Michigan data rates, you know, we  
1726       figured that if the State of Michigan can charge themselves X  
1727       number of dollars per a terabyte or for quadrabyte [sic] or  
1728       gigabyte or whatever, it must be a legitimate -- legitimate  
1729       charge. ~~meant~~, there'll got to be a charge for it, so --

1730           BRIAN BUTLER:    -- Were all of your IT needs serviced by,  
1731       um, Network Services Group?

1732           MR. ADAM BALL:   I don't think so. And when you say all of  
1733       yours, you mean SSI?

1734           BRIAN BUTLER:       Yes.

1735           MR. ADAM BALL:   Um, I mean they -- they kind of were the  
1736 backbone for a lot of this stuff, but Andy -- back in the day  
1737 Andy was heavily involved in --

1738           BRIAN BUTLER:     -- But they weren't -- were they 95%?

1739           MR. ADAM BALL:   I don't think so. I mean Andy was so --  
1740 was so cheap, we'd use them the bare minimum, you know, I mean.

1741           BRIAN BUTLER:     Mm-hm. So that's the problem, is like,  
1742 the cost to acquire the the servers that you used were well,  
1743 it wasn't to minimus. I'll give it \$10,000, \$20,000,  
1744 \$30,000?

1745

1746 You know I -- I don't have that number in front of me, but what  
1747 you billed was -- billed for that, the invoice  
1748 that you gave the State of Michigan, do you know what it was?

1749           MR. ADAM BALL:   I -- I don't. [inaudible 1:50:00] --

1750           BRIAN BUTLER:     -- Do you think it was consistent with  
1751 that?

1752           MR. ADAM BALL:   Probably not with that.

1753           BRIAN BUTLER:     What do you think that number was?

1754           MR. ADAM BALL:   It was consistent with, uh, DTMB rates or  
1755 whatever. I mean.

1756           BRIAN BUTLER:     Are you sorry for what you've done?

1757 MR. ADAM BALL: Yeah. I feel sick to my stomach right now.

1758 BRIAN BUTLER: Are you sick to your stomach because you  
1759 got caught or are you sick to your stomach because you're sorry?

1760 MR. ADAM BALL: I'm -- I'm -- I'm sorry.

1761 BRIAN BUTLER: And what are you sorry for? A -- again  
1762 I'm picture person. I want the facts and right now I'm kind of  
1763 on the fence as far as like what kind of person you are. Um, I  
1764 really do think that you're a good person, but -- and you want  
1765 to try to tell me the story this is really all okay?

1766 MR. ADAM BALL: It's not okay.

1767 SPECIAL AGENT STEVEN LARSON: Because you billed for  
1768 storage capacity you -- you don't have?

1769 MR. ADAM BALL: Right.

1770 SPECIAL AGENT STEVEN LARSON: It may have been the rate  
1771 that the State of Michigan bills itself or it -- but it -- it's  
1772 total bulls\*\*t. You don't have the storage. And the money you  
1773 did spend on -- on -- for storage, like Brian said,  
1774 he's being generous. Thirty grand. S\*\*t, we'll give you 50  
1775 grand. Let's give you a hundred grand. That's still -- you're  
1776 way, way, way, way, way, way, way overbilled that and you know  
1777 you did. Correct?

1778 MR. ADAM BALL: I do.

1779 SPECIAL AGENT STEVEN LARSON: You knew. Tony Thelen knew.

1780 Jeff Bartlett knew. Brian Bartlett knew. And Adam or, um --

1781 SPECIAL AGENT DOUGLAS SMITH: -- Andy. --

1782 SPECIAL AGENT STEVEN LARSON: -- Andy. Excuse me,

1783 Semenchuk knew. Correct?

1784 MR. ADAM BALL: I would say that's correct.

1785 BRIAN BUTLER: It sounds like this wasn't, there wasn't a  
1786 ring leader right? No one person was directing it. You guys were  
1787 kind of all marching together on this, huh?

1788 MR. ADAM BALL: It was a five-headed monster. Yeah.

1789

1790 MR. ADAM BALL: I mean, we worked with out, you know, -- we  
talked about too,

1791 but we worked with our accountant to, you know, try to us, you

1792 know, be as tax advantageous as we can, you know, so I mean

there's -- there's --

1793 SPECIAL AGENT STEVEN LARSON: -- Well --

1794 MR. ADAM BALL: -- stuff like that.

1795 SPECIAL AGENT STEVEN LARSON: Well tax advantageous, yes,  
1796 but also as savvy, advantageous of taking advantage of the, uh,  
1797 reimbursement structure, was he involved in that?

1798 MR. ADAM BALL: When you say he --

1799 SPECIAL AGENT STEVEN LARSON: -- the -- the --

1800 MR. ADAM BALL: -- the accountant? --

1801           SPECIAL AGENT STEVEN LARSON: -- your -- your -- Grzesiak,  
1802        your -- your accountant.

1803           MR. ADAM BALL: No.

1804           SPECIAL AGENT STEVEN LARSON: so he was not involved in the  
1805        when the group of -- the five of you sat down and like you -- as  
1806        you -- as -- using your words, the five -- this five-headed  
1807        monster -- monster. It wasn't a six-headed monster? He wasn't  
            in

1808        --

1809           MR. ADAM BALL: -- Correct.

1810           SPECIAL AGENT STEVEN LARSON: Okay. It was the five of  
1811        you.

1812           BRIAN BUTLER: I appreciate your honesty today. You know  
1813        recognizing that what you did was wrong and that you did it to  
1814        make -- to get money from the State of Michigan that you weren't  
1815        entitled to, correct?

1816           MR. ADAM BALL: I don't think we ever did it. That --

1817           BRIAN BUTLER: -- you didn't stop --

1818           MR. ADAM BALL: -- flagrantly or directly but I mean  
1819        ultimately that's -- that was the result of the mechanism that  
1820        had happened, Yeah.

1821           BRIAN BUTLER: Okay. That's honesty. Um, I'm not sure  
1822        if these gentlemen have told you that this is not just here  
1823        today and we're kind of throughout the state working on it so.

1824 MR. ADAM BALL: Sure.

1825 BRIAN BUTLER: And Sarah has been talked to. I think you  
1826 guys covered all of that?

1827 SPECIAL AGENT STEVEN LARSON: We -- we -- we talked, uh,  
1828 about Sarah's I guess employment was here, but Adam we -- we  
1829 didn't get in -- in -- into the fact that when you left for work  
1830 this morning we had a team, um, at your house. Okay. So  
1831 contact was made with Sarah. Uh, Sarah is being interviewed.  
1832 Um, a search of the house is -- is ongoing.

1833 MR. ADAM BALL: Okay.

1834 SPECIAL AGENT STEVEN LARSON: Okay. Um --

1835 BRIAN BUTLER: One of the things they found are some  
1836 safes that are in the house. Um, I think are there two safes?

1837 MR. ADAM BALL: Yeah.

1838 SPECIAL AGENT STEVEN LARSON: Okay. And what's in those  
1839 safes?

1840 MR. ADAM BALL: My -- the big safe has like my guns.

1841 BRIAN BUTLER: Okay.

1842 MR. ADAM BALL: And, um, some cash and the other safe is  
1843 empty.

1844 BRIAN BUTLER: How much cash?

1845 MR. ADAM BALL: Like eight thousand bucks.

1846           BRIAN BUTLER:        Okay. Um, would you be willing to give us  
1847       the combination to those safes?

1848           MR. ADAM BALL:    Sure.

1849           BRIAN BUTLER:      Can we get a piece of paper here and we'll  
1850       write them down?

1851           MR. ADAM BALL:    Yeah.

1852           SPECIAL AGENT DOUGLAS SMITH: And Brian , uh, while you're  
1853       writing this down here, uh, and write for went out to Steve, Adam  
1854       understands too that -- that we're looking at phones and  
1855       computers and things like that. Uh, he did ask if  
1856       all possible, there are some personal like photos on his phone -  
1857       -

1858           SPECIAL AGENT STEVEN LARSON: -- Mm-hm.

1859           SPECIAL AGENT DOUGLAS SMITH: A couple of personal photos -  
1860       - folders on his computer, um, again he -- he knows we have the  
1861       right to take them, but he wants to try and cooperate too. If  
1862       there's any way he can get anything personal back? I -- I  
1863       didn't -- I told him I was not at all formalized with the  
electronic  
1864       process along with the things we take, but, uh, just again, as  
1865       we're having this exchange here, if there's any way he can get -  
1866       -

1867           SPECIAL AGENT STEVEN LARSON: I don't -- I don't think  
1868 we're going to destroy anything. I mean he'll eventually get  
1869 them back.

1870           BRIAN BUTLER: We're going to -- yeah, we're going to  
1871 work expeditiously as possible. What happens is, we image  
1872 the device and then we attempt to return the device to  
1873 you as soon as possible. Um --

1874           SPECIAL AGENT DOUGLAS SMITH: And -- and -- and that's what  
1875 I wasn't aware of. Thank you. I didn't know what the  
1876 process [inaudible 1:55:58].

1877           BRIAN BUTLER: Okay. So I -- I want to get back to the,  
1878 um, gentlemen down there so they can do that.

1879           MR. ADAM BALL: What did they do with the kids and stuff  
1880 when they stopped?

1881           SPECIAL AGENT STEVEN LARSON: Uh, -- more than likely  
1882 they were --

1883           BRIAN BUTLER: -- They're always professional right? And  
1884 so I know the guys that were there and they are good-- good  
1885 people and I know that they would be, um, professional in every  
1886 regard.

1887           SPECIAL AGENT STEVEN LARSON: Yeah, they're letting them --  
1888 they're -- they're at the house. I'm assuming they're letting  
1889 the kids -- what do you got three kids?

1890 MR. ADAM BALL: Yep.

1891 SPECIAL AGENT STEVEN LARSON: Yeah. They're -- they're  
1892 probably in a room that -- they're probably playing. They --

1893 SPECIAL AGENT DOUGLAS SMITH: Got cartoons on or something  
1894 like that.

1895 SPECIAL AGENT STEVEN LARSON: Yeah. Yeah, they're not and  
1896 -- I mean Doug and I, we've been professional with you, correct?

1897 MR. ADAM BALL: Yes.

1898 SPECIAL AGENT STEVEN LARSON: Good. Well the group that's  
1899 with Sarah is as professional if not -- if not more than, uh,  
1900 than Doug and I. So yeah, the kids are good. The kids are  
1901 fine. Sarah's -- I'm -- I mean I'm guessing if it was my wife,  
1902 she -- she'd be waiting -- chopping at the bit for me to roll  
1903 back into the driveway to give me a what for, so you probably  
1904 got that to look forward to tonight. Um, but, uh, other than  
1905 that. It -- the kids -- the kids will be fine.

1906 BRIAN BUTLER: You'll get through this. I'll be honest  
1907 with you. It'll -- it'll -- it'll suck for a while, you know,  
1908 but I think taking the step forward is the best way for the,  
1909 the least painful way and I think that's what you should start  
1910 working towards as hard as you work on surveying. What time do  
1911 you leave? Like 6:00 every morning. 6:30.

1912 MR. ADAM BALL: Were you in the Explorer this morning?

1913           BRIAN BUTLER:       No.

1914           SPECIAL AGENT STEVEN LARSON:  No, that was me.  Did you --  
1915  did you -- did you -- did you figure -- did you think maybe you  
1916  were being followed?

1917           MR. ADAM BALL:  Yes.

1918           SPECIAL AGENT STEVEN LARSON:  All right, yeah.  We weren't  
1919  trying to be covert, but I -- but I -- and actually I was -- I  
1920  thought it would be kind of yeah, I -- I -- I didn't know how  
1921  much space to give you.  I didn't -- I haven't been here -- not  
1922  that it's a hard location to -- to find, but yeah, I -- I bumper  
1923  locked you.

1924           BRIAN BUTLER:       I guess to say to -- to keep it in  
1925  perspective right.  You work hard, um, you'll get through this.  
1926  I think it's important to -- you know the best way to -- to  
1927  try and heal a few years of lying is just start being truthful  
1928  about stuff and the truth is kind of like -- when you have to  
1929  lie and cover stuff up for so long, that wears on a person.  And  
1930  then -- when you can just talk about it, you're finally like  
1931  whooose.  Um, so that's your next project, right.  Talk about  
1932  it with your wife, what happened.  Be straightforward and start  
1933  working to -- to move forward on this stuff.  Okay.

1934           MR. ADAM BALL:  Yeah.

1935           BRIAN BUTLER:     I'm going to, I have to go make some calls  
1936       and stuff like that.

1937           SPECIAL AGENT STEVEN LARSON: Yeah, thanks for stopping in  
1938       and yeah.

1939           BRIAN BUTLER:     You want to chat for a bit.

1940           SPECIAL AGENT STEVEN LARSON: Yeah.

1941           BRIAN BUTLER:     You need anything from me?

1942           SPECIAL AGENT STEVEN LARSON: I - I don't think so other  
1943       than, yeah, we'll just we're going to take the phone and the  
1944       computers. So.

1945           BRIAN BUTLER:     I really mean it. I like it it's good to  
                meet  
1946       you. I don't think you're a horrible person. I think you're a  
1947       hardworking person who made a mistake and I think the five  
1948       headed monster, almost a group thing, who just kind of started  
1949       doing this together and maybe as group think, you didn't know  
1950       we -- we weren't, no, I'll say it a different way. We didn't  
1951       stop to think about how long it was. It just kind of happened,  
1952       okay. All right.

1953           SPECIAL AGENT DOUGLAS SMITH: Do they need us to, uh, sit  
1954       tight or do we have to move at some point?

1955           SPECIAL AGENT STEVEN LARSON: Oh, we'll move at some point  
1956       here. I just we'll -- we'll finish up I think and then the next  
1957       few minutes I think we'll -- I think we're pretty much, uh,

1958 we're pretty much done. Uh, any -- anything else that -- I mean  
1959 you -- Brian was able to get you over -- over the hump and --  
1960 and, um, is -- is -- is there anything that we've -- we've --  
1961 that -- that we haven't covered that you know we eventually will  
1962 uncover, and you want to get out in front of? I mean take a  
1963 second and think about it. What -- the -- the way you answered  
1964 that it leads me to believe there is. There's something else.  
1965 And you're kind of shaking your head.

1966 MR. ADAM BALL: I been ashamed for the whole five years.

1967 SPECIAL AGENT STEVEN LARSON: Okay. That's -- that's good  
1968 info. So this has been going on for about five years or longer?  
1969 Or longer?

1970 MR. ADAM BALL: I don't -- I'm going to say. I don't know.

1971 SPECIAL AGENT STEVEN LARSON: Well what -- what would make  
1972 you ashamed for five years? And to me that's -- that's a good  
1973 thing because that tells me you're a good person. People  
1974 without a conscience, they don't give this a second thought, man.

1975 MR. ADAM BALL: I don't know what to do.

1976 SPECIAL AGENT STEVEN LARSON: And when I say well -- you  
1977 asked me a question, what I don't know what you mean by this. I  
1978 guess my -- to me what this encompass is the -- the scheme to,  
1979 you know, inflate your overhead. To get inflated reimbursement  
1980 rates from the State that -- that you weren't due. Is there --

1981 is there something else like? So the inflating the overhead has  
1982 gone on for at least five years?

1983 MR. ADAM BALL: No. That's not what I'm saying here. I  
1984 guess [inaudible 2:03:15] is like my involvement was management  
1985 type decisions and stuff like that help you talk about it or  
through things.

1986 Looking back out in the field, you know, they --

1987 SPECIAL AGENT STEVEN LARSON: -- Gotcha.

1988 MR. ADAM BALL: -- just -- you're in charge of people.  
1989 There's just a lot of -- a lot of headaches and I just regret  
1990 the day I started getting involved in the management type0  
1991 things and --

1992 SPECIAL AGENT STEVEN LARSON: -- Okay.

1993 SPECIAL AGENT DOUGLAS SMITH: Well we just -- again we just  
1994 want to -- if -- if there's anything we can do -- do -- like I  
1995 said help you [inaudible 2:04:19] or get through things, we  
1996 don't -- we don't [inaudible 2:04:20] with the -- if there's  
1997 going to be an explorer on you 24/7 or anything or following  
1998 you.

1999 SPECIAL AGENT STEVEN LARSON: Yeah.

2000 SPECIAL AGENT DOUGLAS SMITH: Like we, you know, we want to  
2001 do -- we want to do our job but we -- we don't want you, you  
2002 know, if -- if you're being honest with us today, we don't want

2003 you to have to look over your shoulder.

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2004           SPECIAL AGENT STEVEN LARSON: Yeah. There's -- there's not  
2005 going to be any of that Adam. I think, you know, we -- you were  
2006 cooperative. You were -- you've been honest with us, uh, up to  
2007 this point. Um, it took a while to get there, but -- but we got  
2008 there, um, and I just -- before we go I want to kind of touch on  
2009 the theme that -- that Brian kind of left with and things are  
2010 going to suck for, you know, the immediate future, but your life  
2011 isn't over, man. I mean you made a mistake. You can recover  
2012 from this. You know if we leave -- when -- when we leave you're  
2013 not going to do anything, right to harm yourself, okay.

2014           MR. ADAM BALL: No. I'm all right.

2015           SPECIAL AGENT STEVEN LARSON: Okay. I mean that's --  
2016 that's -- that's my primary concern at this -- at this point  
2017 right -- right now. I don't want you to do anything that's  
2018 going to hurt yourself because you've got -- look at those --  
2019 those three pictures behind you. All right. You've got to be  
2020 strong for those kids. All right.

2021           MR. ADAM BALL: Yeah.

2022           SPECIAL AGENT STEVEN LARSON: So -- so we're -- you're okay  
2023 right?

2024           MR. ADAM BALL: I'm good. I'm good.

2025           SPECIAL AGENT STEVEN LARSON: All right.

2026           MR. ADAM BALL: My wife's going to castrate me but --.

2027           SPECIAL AGENT STEVEN LARSON: Yeah, and mine would too.

2028   But you weather that storm. How long you guys been together?

2029           MR. ADAM BALL: 10 years.

2030           SPECIAL AGENT STEVEN LARSON: You'll weather that storm. I  
2031 mean -- but, um, but appreciate you're -- you speaking with us.

2032 And, uh --

2033           MR. ADAM BALL: I'm sorry you had to waste so much  
2034 [inaudible 2:06:27].

2035           SPECIAL AGENT DOUGLAS SMITH: We --

2036           SPECIAL AGENT STEVEN LARSON: -- Uh --

2037           SPECIAL AGENT DOUGLAS SMITH: -- you don't got to explain  
2038 why [inaudible 2:06:34]. You steps down the path of saying  
2039 let's get on the page versus, um, you know, versus  
2040 trying to lie. Versus trying to, uh, like I said start another  
2041 violation or anything like that.

2042           SPECIAL AGENT STEVEN LARSON: Yeah. -- I mean that --

2043           MR. ADAM BALL: I just mean in general.

2044           SPECIAL AGENT STEVEN LARSON: Oh gen -- oh sure, yeah. I  
2045 know.

2046           MR. ADAM BALL: [inaudible 2:06:59] year for --

2047           SPECIAL AGENT STEVEN LARSON: -- Yeah. Yeah, but --

2048           SPECIAL AGENT DOUGLAS SMITH: -- [inaudible 2:07:03] --

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2049           SPECIAL AGENT STEVEN LARSON: -- the odds of you -- I mean  
2050   would you had we shown up. I mean I think there -- we just --  
2051   I think Brian had just shown up, I don't think it would have  
2052   pushed you, you know, in the just -- you just needed a little  
2053   nudge to get this off of your chest. So I -- no, don't --  
2054   don't, uh,

2055           MR. ADAM BALL: -- Two years get the heck out of this place  
2056   and go somewhere else.

2057           SPECIAL AGENT STEVEN LARSON: And then just -- yeah, a  
2058   tidal wave kind -- of kind of crusted before, uh, before you're  
2059   able to get out, but like -- you've got a lot of life left in  
2060   you. This isn't -- this isn't an insurmountable hurdle. It was  
2061   just a bump in the road. How old are you?

2062           MR. ADAM BALL: 42.

2063           SPECIAL AGENT STEVEN LARSON: 42. You're a young guy. Not  
2064   old like me.

2065           MR. ADAM BALL: How old are you?

2066           SPECIAL AGENT STEVEN LARSON: 51.

2067           MR. ADAM BALL: All right.

2068           SPECIAL AGENT STEVEN LARSON: Yeah. All right. All right  
2069   Adam, we're -- we're going to get out of your hair, but we've  
2070   got to take that phone from you right -- right now.

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2071           MR. ADAM BALL: I've got to [inaudible 2:08:17] because I -  
2072 - I can get literally 150 calls a day that are work related.

2073           SPECIAL AGENT STEVEN LARSON: Okay.

2074           MR. ADAM BALL: I don't answer that dumb thing.

2075           SPECIAL AGENT DOUGLAS SMITH: Who's your provider?

2076           Mr. Adam Ball : we'd shut down Verizon.

2077

2078           SPECIAL AGENT DOUGLAS SMITH: And again I don't know the  
2079 timeline of how fast they're going to be a phone back to you. A  
150

2080 calls a day, you can't do without for a day, um, you -- I mean  
2081 you ought to be able to go in there, off the shelf, and just get  
2082 -- get another phone and just port the number straight over.

2083 Um, treat -- I mean treat this like the phone has been dropped  
2084 and cracked or --

2085           SPECIAL AGENT STEVEN LARSON: Just -- just from --

2086           SPECIAL AGENT DOUGLAS SMITH: -- [inaudible 2:08:55] --

2087           SPECIAL AGENT STEVEN LARSON: -- just from like a forensic  
2088 standpoint --

2089           MR. ADAM BALL: -- Mm-hm.

2090           SPECIAL AGENT STEVEN LARSON: Would there be any -- I mean  
2091 he's got a new phone. He's got a new number, but could -- could  
2092 he pull stuff off the phone that we have in our possession?

2093           SPECIAL AGENT DOUGLAS SMITH: No. What we'll, um, because  
2094 what we'll -- what we'll do whenever we -- part of the process  
2095 for when take care of, uh, uh, when we take devices like that,  
2096 is we -- we put into airplane mode.

2097           MR. ADAM BALL: Okay.

2098           SPECIAL AGENT DOUGLAS SMITH: So that way they're not  
2099 sending and receiving communications and that -- that's --  
2100 that's to protect us from someone saying, hey, you made a bunch  
2101 of phone calls on my phone right. Like so we -- we put in an  
2102 inactive state for lack of a better term. Um, and then we --  
2103 we make a copy of it and again for -- for legal purposes that  
2104 way we can say this is as it was when we got it. We didn't --  
2105 because I told you we're not taking over your phone account.  
2106 Uh, if we were, there would have to be paperwork for that under  
2107 different and under completely different circumstances. We  
2108 don't want to answer any of your calls for you. Um, we, uh, we  
2109 also get enough calls a day, not 150, but we're not going to  
2110 answer it. We're not going to respond. We're not going to do  
2111 anything like that, so that's what the airplane mode is.

2112           SPECIAL AGENT STEVEN LARSON: Okay. So -- so good. So he  
2113 can get like you said, go to Verizon --

2114           SPECIAL AGENT DOUGLAS SMITH: -- Yeah. --

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2115           SPECIAL AGENT STEVEN LARSON: -- pick up a -- get -- get a  
2116 new phone with that -- with that number. They'll pull up the  
2117 number.

2118           SPECIAL AGENT DOUGLAS SMITH: And it's like I said with  
2119 the, you know, the same with the computer --

2120           MR. ADAM BALL: Mm-hm.

2121           SPECIAL AGENT DOUGLAS SMITH: -- we would, uh, we would --  
2122 in -- in taking a computer we -- we're not taking over an email  
2123 address. So you can set up another computer with that email  
2124 address. Your phone can have your email address.

2125           SPECIAL AGENT STEVEN LARSON: Just, um, can you, um, is  
2126 there a password on the phone by chance?

2127           MR. ADAM BALL: Yeah.

2128           SPECIAL AGENT STEVEN LARSON: Can you write that down?

2129           SPECIAL AGENT DOUGLAS SMITH: That's good catch Steve --

2130           SPECIAL AGENT STEVEN LARSON: And -- and --

2131           SPECIAL AGENT DOUGLAS SMITH: -- and that will make it way  
2132 faster.

2133           SPECIAL AGENT STEVEN LARSON: And then there is a password  
2134 on the computer?

2135           MR. ADAM BALL: I don't think --

2136           SPECIAL AGENT STEVEN LARSON: -- Okay. And then if you  
2137 wouldn't mind, um, I mean you're right here. Can -- can we put

2138 that in airplane mode right now? And I -- and like Doug said he  
2139 -- we don't want to speak on the turnaround time for imaging the  
2140 phone and -- and getting this actual one with the pictures you  
2141 want and whatnot back, but it's usually pretty good, Adam, a  
2142 couple of weeks maybe. Um, but don't hold me that, but it could  
2143 even be sooner.

2144 SPECIAL AGENT DOUGLAS SMITH: It should be good now.

2145 SPECIAL AGENT STEVEN LARSON: Okay, we're in airplane mode?

2146 SPECIAL AGENT DOUGLAS SMITH: Got the [inaudible 2:11:17]?

2147 SPECIAL AGENT STEVEN LARSON: Yep, right there. All right.

2148 Beautiful. Put that there. No password for the computer.

2149 MR. ADAM BALL: I don't think so.

2150 SPECIAL AGENT STEVEN LARSON: Okay.

2151 MR. ADAM BALL: Um, about that -- can I just show you --

2152 SPECIAL AGENT STEVEN LARSON: -- Sure. Sure.

2153 MR. ADAM BALL: -- you can get. I don't like  
2154 - like I said I don't know when that thing was plugged in right  
2155 there. This is like my personal stuff. Can I -- - can I make --

2156  
2157 SPECIAL AGENT STEVEN LARSON: -- Ohhh. --

2158 MR. ADAM BALL: -- a copy of it?

2159 SPECIAL AGENT STEVEN LARSON: Um --

2160 MR. ADAM BALL: Can you make a copy of it for me?

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2161           SPECIAL AGENT DOUGLAS SMITH: Um, I can -- do you know  
2162 where the tech guys are around here? Cause I -- again it's not  
2163 -- it's not my case. It's not my call.

2164           MR. ADAM BALL: Okay.

2165           SPECIAL AGENT DOUGLAS SMITH: Um, I -- I mean I have seen  
2166 it done before. That -- I -- I can tell you that actually has  
2167 happened, but I -- I don't want to mess up anybody's else's --

2168           MR. ADAM BALL: Okay.

2169           SPECIAL AGENT DOUGLAS SMITH: -- [Inaudible 2:12:12] --

2170           SPECIAL AGENT STEVEN LARSON: You want a feel -- you want  
2171 to feel to try to find somebody to ask that --

2172           SPECIAL AGENT DOUGLAS SMITH: Yeah, if  
  
you don't mind.

2173           SPECIAL AGENT STEVEN LARSON: -- real -- real quick and  
2174 then, um, yeah.

2175           MR. ADAM BALL: [inaudible 2:12:22] for one second.

2176           SPECIAL AGENT STEVEN LARSON: Yep. Yep. Yeah, and then  
2177 we'll -- we'll let you know. I mean -- I mean I believe you're  
2178 shooting straight with us, it's just all, uh, personal stuff  
2179 Adam, but -like -- like Doug said we don't want to screw  
2180 anything up.

2181           SPECIAL AGENT DOUGLAS SMITH: Do you have a blank thumb  
2182 Drive? Or CD?

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2183 Get a copy oof the thumb drive and then take the  
2184 thumb drive back out.

2185 MR. ADAM BALL: Okay.

2186 SPECIAL AGENT DOUGLAS SMITH: I don't see much hassle as  
2187 long as [inaudible 02:13:02]

2188 SPECIAL AGENT STEVE LARSON: If you don't have a blank  
2189 thumb drive that's [inaudible 02:13:26]

2190 SPECIAL AGENT DOUGLAS SMITH Yeah then, let's -- let's err  
2191 on the conservative side of saying probably not. Um, so -- so  
2192 yeah.

2193 SPECIAL AGENT STEVE LARSON: That [inaudible 2:13:42]  
2194 software correct?

2195 MR. ADAM BALL: I don't think so. That's -- that's from my  
2196 -- a guy at church got all of my, um, part of All Nations. It's  
2197 got all of the bylaws and stuff on it.

2198 SPECIAL AGENT STEVEN LARSON: Okay.

2199 SPECIAL AGENT DOUGLAS SMITH: Well to the extent that it  
2200 has nothing to do with the Southfield, SSI or anything like  
2201 that, um, it isn't -- whenever the tech guy is coming through,  
2202 it's [inaudible 2:14:02] to not take things that are not related  
2203 --

2204 MR. ADAM BALL: -- Yeah. --

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2205           SPECIAL AGENT DOUGLAS SMITH: -- because we don't have to  
2206 make copies of them. Images of them and all of that kind of  
2207 stuff okay. Um, who would I talk to as far as searching for  
2208 when they come to [inaudible 2:14:16] and stuff?

2209           SPECIAL AGENT STEVEN LARSON: Just -- just find somebody  
2210 and ask somebody who looks like they're doing --

2211           SPECIAL AGENT DOUGLAS SMITH: I'm sure they don't we're  
2212 still --

2213           SPECIAL AGENT STEVEN LARSON: -- Yeah. Yeah.

2214           SPECIAL AGENT DOUGLAS SMITH: So I don't --

2215           SPECIAL AGENT STEVEN LARSON: -- Yeah, we're good. Who's  
2216 deer -- on the -- mounted on the wall, that's a nice one.  
2217 [inaudible 2:14:40]?

2218           MR. ADAM BALL: I don't know much about [inaudible  
2219 2:14:43].

2220           SPECIAL AGENT STEVEN LARSON: Oh don't you? Oh you said  
2221 guns, so I thought maybe you were a sportsman or a hunter.

2222           MR. ADAM BALL: I think that's Jeff's or Brian's.

2223           SPECIAL AGENT STEVEN LARSON: Oh nice.

2224           MR. ADAM BALL: I've dabbled in hunting as a kid, but never  
2225 been fond of it.

2226           SPECIAL AGENT STEVEN LARSON: Oh okay. I, uh, well, I  
2227 guess like Doug, and I said we're not deeply involved in the

2228 case other than just helping out, but I did see a picture of  
2229 your place off -- it is [REDACTED]?

2230 MR. ADAM BALL: Yeah.

2231 SPECIAL AGENT STEVEN LARSON: Yeah. You've got like what  
2232 like 15 acres there? That looks like a nice spot. Any -- any  
2233 deer or anything that come through?

2234 MR. ADAM BALL: Yeah, we'll see a deer coming through the  
2235 field.

2236 SPECIAL AGENT STEVEN LARSON: Yeah, I bet. That looks --  
2237 that looks like a nice set up. Nice house. Nice, uh, nice set  
2238 up. Nice chunk of property. I live down [REDACTED] so.

2239 MR. ADAM BALL: That's how far?

2240 SPECIAL AGENT STEVEN LARSON: Um --

2241 MR. ADAM BALL: -- I've got some buddies, or I've got a  
2242 buddy that lives, um --

2243 SPECIAL AGENT STEVEN LARSON: North of Tibb, uh,  
2244 Tittabawassee 2:15:47], uh, you know where, uh, was it that --  
2245 was it that Green Applebarn?

2246 MR. ADAM BALL: Yeah.

2247 SPECIAL AGENT STEVEN LARSON: Leaman's Green AppleBarn.  
2248 Okay. That's like kind of the starting point and then I'm --  
2249 I'm, uh, south of that like two miles.

2250 MR. ADAM BALL: Okay.

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2251           SPECIAL AGENT STEVEN LARSON: That's my house. By, uh,  
2252 like [REDACTED].

2253           MR. ADAM BALL: Yep. My buddy just built a house on [REDACTED]  
2254 just north of the Apple place on the west side of the road  
2255 there. Cobblestone built his house there.

2256           SPECIAL AGENT STEVEN LARSON: Oh okay. Cobblestone. I --  
2257 I transferred in. I -- I was -- my first office was Milwaukee.  
2258 Second was -- I was on -- I raised my hand to go Alaska and then  
2259 I -- I bounced to Michigan here. Um, but we didn't have the  
2260 house built, but Cobblestone or Cobblestone or Cornerstone,  
2261 whatever, Cobblestone was the builder. Yeah. Yeah.

2262           SPECIAL AGENT DOUGLAS SMITH: So, um, they're moving fast.  
2263 They said that you might actually have your whole computer back  
2264 tomorrow. They're going to be --

2265           MR. ADAM BALL: -- Okay. --

2266           SPECIAL AGENT DOUGLAS SMITH: -- like onsite here today.  
2267 All day --

2268           MR. ADAM BALL: Okay.

2269           SPECIAL AGENT DOUGLAS SMITH: -- trying to run through and  
2270 copy things. Um, so that -- that -- that -- the best case like  
2271 I said is that at the end of the day, worse case, at least right  
2272 now things being working with, or you'll have everything back  
2273 tomorrow. Um, --

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2274           SPECIAL AGENT STEVEN LARSON: Same deal with the phone?

2275           SPECIAL AGENT DOUGLAS SMITH: Mm-hm.

2276           SPECIAL AGENT STEVEN LARSON: Oh boom. Look at that.

2277           SPECIAL AGENT DOUGLAS SMITH: They're just trying --

2278           they're just trying to copy what, you know, like I said what

2279           they need, and they've got multiple tools to do it so.

2280           MR. ADAM BALL: In the meantime, um, are we going to be

2281           able to email later today or --

2282           SPECIAL AGENT STEVEN LARSON: -- Put --

2283           MR. ADAM BALL: -- [inaudible 2:17:17] --

2284           SPECIAL AGENT STEVEN LARSON: -- let's just -- let's just

2285           assume stuff is shut down for today.

2286           MR. ADAM BALL: Okay.

2287           SPECIAL AGENT STEVEN LARSON: You know that way, yeah, and

2288           I would appreciate it -- we're not going to babysit you. I'm --

2289           I'm not going to hover over your shoulder, but if you could

2290           just, you know, stay off the computer.

2291           MR. ADAM BALL: Cool. [inaudible 2:17:34] have everything

2292           in memory [inaudible 2:19:36].

2293           SPECIAL AGENT DOUGLAS SMITH: You don't know, actually

2294           it's better to just right where it's at. The guys will just

2295           come in and -- and see right where it's at. See the folder.

2296           See what they need --

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2297           SPECIAL AGENT STEVEN LARSON: -- Yeah. --

2298           SPECIAL AGENT DOUGLAS SMITH: -- and go from there.

2299           SPECIAL AGENT STEVEN LARSON: So yeah. Yeah. But once  
2300 everything is imaged I'm assuming that you could --

2301           MR. ADAM BALL: -- [inaudible 2:17:54] four or five years  
2302 ago. That's the one in Saginaw from 9 or 8, 7 years ago or  
2303 something like that.

2304           SPECIAL AGENT STEVEN LARSON: Okay. --

2305           MR. ADAM BALL: -- [inaudible 2:18:02} --

2306           SPECIAL AGENT STEVEN LARSON: Um, they'll sort it out but  
2307 possibly.

2308           SPECIAL AGENT DOUGLAS SMITH: Yeah, we're not making a call  
2309 on it then, um, you can work. That -- that might help them the  
2310 call if it doesn't work right.

2311           SPECIAL AGENT STEVEN LARSON: Yeah.

2312           SPECIAL AGENT DOUGLAS SMITH: So.

2313           SPECIAL AGENT STEVEN LARSON: All right. Well I think --  
2314 do you have anything else?

2315           MR. ADAM BALL: I don't.

2316           SPECIAL AGENT STEVEN LARSON: All right.

2317           SPECIAL AGENT DOUGLAS SMITH: Are we -- do -- do we need to  
2318 --

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2319           SPECIAL AGENT STEVEN LARSON: -- Yeah, we'll touch base  
2320       with --

2321           SPECIAL AGENT DOUGLAS SMITH: -- You want to [inaudible  
2322       2:18:26] or you want me to?

2323           SPECIAL AGENT STEVEN LARSON: You can. Yeah. I've got to  
2324       find a washroom.

2325           MR. ADAM BALL: You're going to leave me alone but --

2326           SPECIAL AGENT STEVEN LARSON: Oh yeah, I do. Yep.

2327           MR. ADAM BALL: There's a bathroom in the back.

2328           SPECIAL AGENT STEVEN LARSON: Okay.

2329           MR. ADAM BALL: And there's two upfront.

2330           SPECIAL AGENT STEVEN LARSON: All right. Sounds good. Um,  
2331       Adam, sorry we had to meet under these circumstances.

2332           MR. ADAM BALL: I'm sorry you had to come.

2333           SPECIAL AGENT STEVEN LARSON: Um, just keep that in mind.

2334       You're -- you're this isn't the end of the world, all right.

2335           MR. ADAM BALL: All right.

2336           SPECIAL AGENT STEVEN LARSON: I know it doesn't feel like  
2337       now. It's easy for me to say, but it's not.

2338           MR. ADAM BALL: What -- what do I do at this point here?

2339           SPECIAL AGENT STEVEN LARSON: You know --

2340           SPECIAL AGENT DOUGLAS SMITH: -- I'm going to get that for  
2341       you. You want me to do that? Head -- heading out --

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2342 SPECIAL AGENT STEVEN LARSON: Yep. Yep. Yep. Oops excuse

2343 me. Interview is ending at 10:25 a.m. Thursday, July 25.